



CAPITALIZING ON CHRONIC CARE

Pharmacy plays a key role in managing chronic conditions.

BY DAVID ORGEL

Chronic care management has become an all-consuming topic for retail pharmacy. It has moved beyond a niche industry topic to a high-profile, national conversation that involves healthcare costs, government policy, emerging technologies and, most importantly, daily life for millions of consumers.

The pharmacy industry is now debating next steps in chronic care management to identify strategies that support the best outcomes and sustainable business models for an era of value-based reimbursement.

“Today we have the majority of the population with a chronic care condition, rising costs in our system, our population living longer, changing policy, increased consumerism, emerging technologies and the real possibility of disruptive entry into the pharmacy business,” said Andre Persaud, a business advisor and senior industry executive with 25 years of retail and drug store experience. “What an exciting time to be discussing chronic care management.”

Chronic care management was the focus of a panel moderated by Persaud at the recent *DSN* Industry Issues Summit in New York City, at which much of the discussion centered on challenges related to diabetes, and the role pharmacy can play in keep patients healthy.

“If we can keep the patients at the center and keep the focus on their needs, we’re going to have success,” said Crystal Lennartz, chief pharmacist at Health Mart. “As pharmacists, we know we touch the patient 12-plus times a year more than a primary care provider does, so how can we use those touches to really empower the patient to make a difference?”

Key Role of the Pharmacist

Community pharmacy can play an important role in filling gaps created by primary care shortages, said Becky Dant, director of professional services at Issaquah, Wash.-based Costco.

“There are a lot of disease states that pharmacists are capable of managing, including blood pressure, hypertension and diabetes,” she said. “If we’re involved with the healthcare systems in our communities and have agreements with those systems, we can manage some of these less complicated patients to goal, and refer them back to the provider when they’ve been titrated to goal on their blood pressure medications or their diabetes medications.”

Leon Nevers, director of business development and procurement at San Antonio-based H-E-B, pointed to the need for new business models to better address chronic care.

“I think in the future we’re just going to have to shift from volume transactions — and honestly, we’re already evolving into that — by discussing things like health clinics and new diabetes management tools and different things that are going on in the industry,”



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From left to right: Business advisor Andre Persaud, Health Mart's Crystal Lennartz, BD Medical-diabetes care's Marcus Silva and Costco's Becky Dant

Nevers said. "We're going to have to be reimbursed for that and manage the data and show outcomes."

Having the ability to prescribe certain medications is an important component for pharmacists as they play bigger roles in chronic care, according to Earth City, Mo.-based Medicine Shoppe International vice president Todd Treon.

"The community pharmacist is engaging and playing a more important role," he said, citing activities that include more collaboration with physicians and sharp growth in the level of screenings. "I think as you look ahead to how that paradigm will shift, it goes to prescriptive authority. Arguably, you now have 38 states where there's some level of prescriptive authority that's available to the community pharmacy. That enables them to extend as a point-of-care destination."

Technology's Impact on Diabetes

Marcus Silva, director of U.S. marketing and analytics at BD Medical-diabetes care, said the extreme prevalence of diabetes and the staggering costs — more than a billion dollars globally in the short term — create an opening for solutions from technology.

"It's no surprise we're seeing advances in technologies," he said. "We're seeing wearable devices that can connect to CGM, connect to smart meters, connect to healthcare professional offices, even connect to paying members' iPhones through an app. These advances give us hope that someday we could potentially eradicate the complications and burdens associated with diabetes. And we do know that to truly maximize patient outcomes, you want to marry the advances in technologies to best-in-class fact-to-face counseling."

Perspectives on Addressing Chronic Care Conditions

Industry executives concede that there aren't quick solutions to improving outcomes for chronic diseases. As a result, making progress will take partnerships and smart strategies.

"There are no silver bullets," said Todd Treon, vice president of Medicine Shoppe International. "It's such a deep behavioral challenge in many ways that we're going to need to come up with some other models and look at the longer payback horizon with all of the actors that are part of this system."

Becky Dant, director of professional services at Costco, pointed to the siloed nature of the health system, in which "the insurance company has one goal, and the pharmacy has another goal and the healthcare provider has a different goal."

The solution is "really creating those partnerships so you are caring for the patient, and you're decreasing duplicate work that doesn't need to be there," she said.

The industry employs a lot of jargon in discussing topics such as chronic care, but oftentimes "buzzwords actually have meaning," said Marcus Silva, director of U.S. marketing and analytics at BD Medical-diabetes care.

"I think about diabetes care, and 'population management' certainly is a big component of managing diabetes throughout the patient journey," he said. "'Collaboration' is another buzzword, but it's important ... I think when we work together, we can really make an impact."

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From left to right: Medicine Shoppe International's Todd Treon, Smart Meter's Brahim Zabeli, Health Mart's Crystal Lennartz, BD Medical-diabetes care's Marcus Silva and H-E-B's Leon Nevers

Given that chronic diseases overwhelmingly impact the elderly, technology for this segment of the population needs to be as user-friendly as possible, Tampa, Fla.-based Smart Meter vice president of sales Brahim Zabeli said.

"The elderly are the least likely to be able to use a connectivity tool," he said. "They're the least likely to be able to use a smartphone or be willing to understand how it works. The trick is to make the technology very, very easy. Without that, there's not going to be any adoption."

Pharmacists are giving more thought to how their roles integrate with their larger organizations' efforts to address such chronic care diseases as diabetes. In the grocery channel, the opportunities to reach beyond the prescription counter include marrying pharmacy guidance with resources on the food side of the store.

"In the grocery environment, we have opportunities to learn more about nutrition as pharmacists, or bring in nutritionists as experts to help our patients shop through the store," Dant said. The goal is to "help patients make better food decisions, be able to better identify healthy choices — whether it's snacks or meals — and help them with preparation."

Pharmacists are taking a somewhat different tack in the independent channel, which differs from grocery in aspects that include a smaller front end, Lennartz said.

"So it's less about the interaction with the front end, and more about curated products and services to meet the needs of the patients," she said. "One of the ways that we've really seen our Health Mart pharmacies go the last mile is not just with in-home delivery, but in-home services, such as comprehensive medication reviews, so they can meet the patient where they are."

Identifying Solutions on the OTC Side

Pharmacy also has a role to play in diabetes beyond the prescription counter when it comes to the OTC side of the store, executives said.

"People with diabetes who inject insulin tend to visit the store three times more than the average shopper," Silva said. As a result, pharmacists have an opportunity to "educate them on ways to better manage their therapy, which typically results in the purchase of more things within the walls of the pharmacy that can help improve their self-care."

Moreover, patients are more likely to patronize more of the store if pharmacies spur loyalty, both through financial incentives and outstanding service, Zabeli said.

"To the degree that retail pharmacy can continue to do what it's doing from loyalty programs that provide economic incentives, and then also build upon them to treat that customer extremely well, all the better," he said.



Industry leaders said they generally agree that preventive health has a major impact on managing chronic conditions, and emphasized that a range of stakeholders — from manufacturers to retail pharmacies — all have roles to play in fostering preventive measures.

“No matter what the chronic condition, there’s a lifestyle or [preventive] component to it,” Lennartz said.

She said Health Mart and McKesson have partnered with manufacturers on educational tools for providers, pharmacists and patients, among other initiatives. “Retail pharmacy, no matter what the sector — independent, chain or mass — has a really important role to play from a partner perspective,” she said.

Treon said “there are ways in which we can better partner with payers, manufacturers and other stakeholders to drive value.”

He said that at a time of industry cost pressures, independents within his company’s franchise system and also at Cardinal Health have had to adjust to reimbursement realities.

“Our challenge as an industry is to help them to find scale, operating efficiencies and then work together across the partners, from the manufacturers to the payers and every point in between, to help bring it to reality.” **dsn**

Chronic Care by the Numbers

U.S. healthcare costs, particularly on the chronic care side, are staggering. Here are a few data points from Andre Persaud, a business advisor and senior industry executive with 25 years of retail and drug store experience, who moderated the recent *DSN* Industry Issues Summit panel on chronic care.

- Today, U.S. healthcare costs represent about one-sixth of the total GDP, with retail pharmacy spend at more than \$300 billion;
- The CDC estimates that 86% of all healthcare spend is for patients with chronic conditions;
- Two-out-of-3 people in the United States are diagnosed with a chronic condition today;
- The top three chronic conditions are obesity, high blood pressure and high cholesterol; and
- One-out-of-10 Americans, or 30 million people, have been diagnosed with diabetes, and the CDC estimates that 1-in-3 Americans has prediabetes.

Future Role of Technology

Chronic care management poses daunting challenges, and some industry experts are comforted by the possible future roles of technology to ease the hurdles.

“If you could zoom forward another 10 or 20 years, I think we’d be having a whole different level of conversation than what we have today,” said Leon Nevers, director of business development and procurement at H-E-B.

He noted that today, refill reminders are widespread, along with health screenings and immunizations. “We all obviously have the very basic levels of patient interaction covered.”

However, “technology is really what’s going to drive us and help integrate that entire patient experience in a way that really transforms lives,” he said.

He called this a “generational issue” because of the gradual nature of technology improvements. “I think the next generation, and the generation after, are really going to engage. The future looks bright when you have the ability to add technology to what we already do with the patient interaction from a human perspective, so I’m very optimistic about the future.”

Andre Persaud, a business advisor and senior industry executive, said he feels excitement about the future in analyzing today’s consumer engagement with technology at retail.

“I think it’s a very interesting time when you look at just general retail statistics, where 80% of mobile users interact on the phone during a shopping experience,” he said. “And 50% of people who are engaging in some type of grocery purchase start on the phone, whether it’s for recipe or nutrition information.”

He said this ties directly back to health care. “I think health care is the next step on that.”