

# SPECIALTY PHARMACY NEWS

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## Prevention, Wellness Efforts Hailed, But Gathering Data Could Be Issue

Specialty pharmacy stakeholders are praising the prevention and wellness provisions in the American Recovery and Reinvestment Act of 2009 (ARRA) as an efficient and necessary approach to transforming health care. But will the relatively small patient populations taking specialty therapies pose a potential problem in developing these models within that industry?

Prevention and wellness efforts received \$1 billion in the economic stimulus bill signed into law by President Obama last month. Of that amount, the law devotes \$650 million to "evidence-based clinical and community-based prevention and wellness strategies...that deliver specific, measurable health outcomes that address chronic disease rates," according to ARRA.

"With preventive care, these programs cost money. The net effect is never cost neutral," says David Knowlton, president and CEO of the New Jersey Health Care Quality Institute and a board member of the nonprofit HealthWell Foundation. However, he says, when preventive care is applied to chronic diseases, it's a different story. "Seventy-five cents of every dollar we spend on health care goes to chronic diseases," he says. "We can't move health reform forward if we can't contain [chronic disease] costs in some way."

"There is a fundamental fallacy to think that the way to universal health care is squeezing down reimbursement rates for what we pay for health care," said Jim Greenwood, president and CEO of BIO, during a Feb. 26 media briefing. "The reduction of chronic disease" is critical. "We must fight the disease, not the cure," he said.

The focus on wellness and prevention "will be great," says Larry Hsu, M.D., medical director of the Hawaii Medical Service Association, a Blues plan licensee. When it comes to osteoporosis, "I'd rather spend about \$4,000 for a year of bisphosphonates than \$10,000 for a

hip fracture," he says. He adds that many patients who suffer a hip fracture die within a year of that incident.

"In trying to get the health care system to the next generation," the U.S. is facing three main pressures, contends Jarrett Bostwick, president of specialty pharmacy FactorHealth: cost control, patient choice and an "economic squeeze" on physicians. The focus on prevention and wellness in the stimulus law may help ease these pressures. "There is something to be said" for adopting a model "that allows us to be proactive with patients" and pay people — be it pharmacists or physicians or case managers or whomever — to produce better patient outcomes, he says.

### Data Generation Can Be Challenging

"A patient-care model for some of the higher-cost therapies does make sense," Bostwick says. But "finding and figuring out reliable data" on which to base wellness approaches is easier said than done.

Specialty pharmacies must have the internal capabilities to track the right data, and they must have a disease population consisting of a large set of patients, he says. A larger set of patients, such as ones with cardiovascular problems, can yield data that are more statistically significant, he explains. But it's different when a disease affects a more narrow population of a few thousand patients in the U.S. "There is probably a much broader distribution of where the patients are and where they are serviced," says Bostwick. In situations like this, specialty pharmacies "need longevity in that therapy...to extrapolate statistically significant data."

*Would specialty pharmacies ever consider banding together and sharing data to help determine wellness approaches for some disease states?* "It's a very noble task to capture data and put some definitive periods at the end of some statements made," Bostwick says. "But who gets the data when this is done?" he asks. What about confidentiality issues among companies that "to some degree are all competing in the marketplace," he adds.

Bostwick tells *SPN* that he has spoken with some other heads of specialty pharmacies about “creating a broader consortium of companies” consisting of ones that treat small patient populations using high-cost specialty therapies rather than ones focused on a particular disease state. Such a “multidisciplined” approach would bring “broader sets of data” to the table, he contends. The firms, he says, “had some detailed discussions” in the spring and fall of last year. With all of the attention now being directed to health care reform, the group is “waiting to see where the dust settles” before it takes any action, Bostwick says. But “the conversations are still alive and kicking,” he adds. The idea of applying for research funds provided by the stimulus law “has been discussed” by the group, but the discussions are “in their infant stages,” he says. In addition, the group has discussed seeing if funds are available to look at a pool of

lawyers and lobbyists to advocate on its behalf.

A potential issue with prevention and wellness developments is “agreeing on what are considered successful outcomes,” says Bostwick. “If it’s simply dollars and cents saved in Medicare and Medicaid, that’s one thing.” But will other aspects of patient care, such as improved quality of life and decreased hospital visits — aspects that do not have specific, easy-to-calculate cost savings — be taken into account as well, he wonders. “It is hardest to get buy-in” when outcomes are not measurable and quantifiable in terms of costs, he says.

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