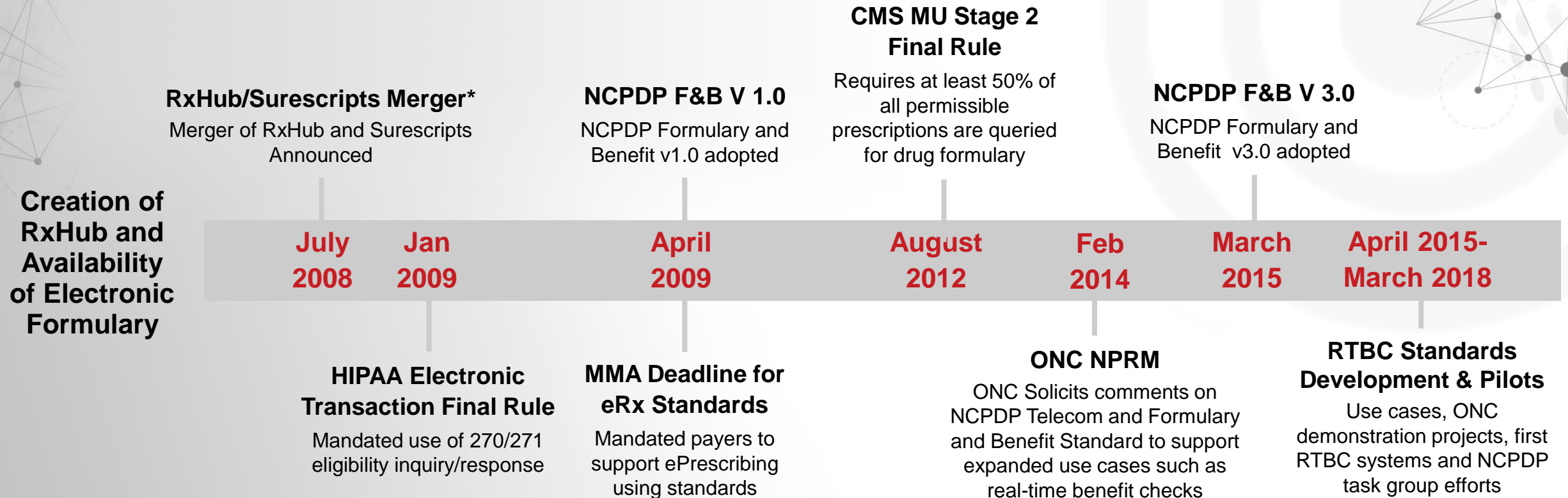# RTPBC Activities Underway

Anthony Schueth, MS
CEO & Managing Partner
Point-of-Care Partners

Formulary & Benefits/Real-Time Pharmacy Benefit Check (RTPBC) Timeline

Creation of RxHub and Availability of Electronic Formulary

RxHub/Surescripts Merger*
Merger of RxHub and Surescripts Announced

NCPDP F&B V 1.0
NCPDP Formulary and Benefit v1.0 adopted

CMS MU Stage 2 Final Rule
Requires at least 50% of all permissible prescriptions are queried for drug formulary

NCPDP F&B V 3.0
NCPDP Formulary and Benefit v3.0 adopted

July 2008	Jan 2009	April 2009	August 2012	Feb 2014	March 2015	April 2015- March 2018

HIPAA Electronic Transaction Final Rule
Mandated use of 270/271 eligibility inquiry/response

MMA Deadline for eRx Standards
Mandated payers to support ePrescribing using standards

ONC NPRM
ONC Solicits comments on NCPDP Telecom and Formulary and Benefit Standard to support expanded use cases such as real-time benefit checks

RTBC Standards Development & Pilots
Use cases, ONC demonstration projects, first RTBC systems and NCPDP task group efforts
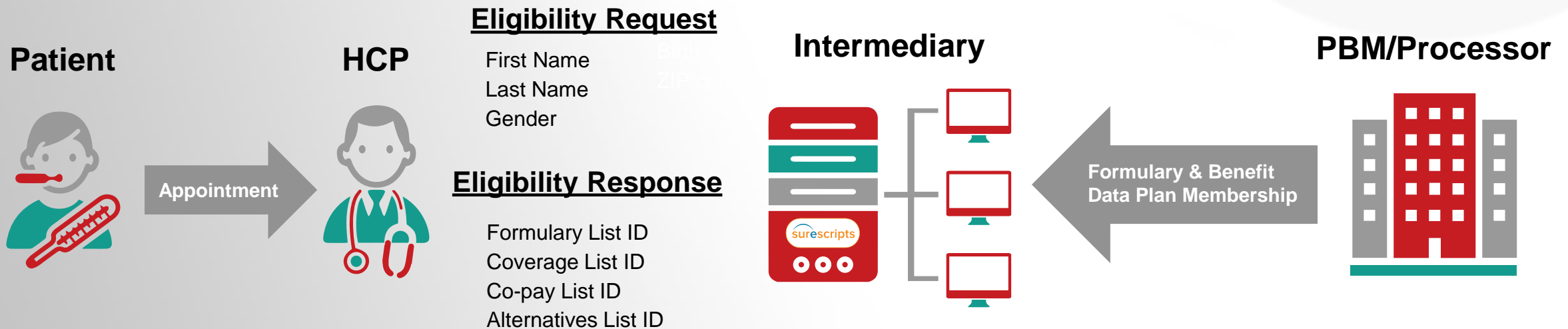
1. The merger of RxHub and Surescripts was a major catalyst in connecting patient identities with a specific formulary
2. NCPDP developed a standard format in which PBMS/payers should send formulary data to EHRs
3. Government regulations helped to push along mandatory use of electronic formulary data by physician practices
4. ONC NPRM released in Feb 2014 was the catalyst for NCPDP efforts around RTBI and subsequent demonstration projects.

Addresses Deficiencies in Current Formulary & Benefits

Challenges with accuracy of current Formulary & Benefit data led to a search for a better solution

- Formulary data is based on "Plan-" or "Group"-level; not patient specific
- Prior Authorization flag often missing or inaccurate
- Formulary tier/preferred level often not accurately displayed for HCP
- Issue is payer providing the data, not the standard

Patient

HCP

Appointment

Eligibility Request

First Name
Last Name
Gender

Eligibility Response

Formulary List ID
Coverage List ID
Co-pay List ID
Alternatives List ID

Intermediary

surescripts

Formulary & Benefit
Data Plan Membership

PBM/Processor

RTPBC Provides Patient Specific Benefit Information

Real-Time Pharmacy Benefit Check (RTPBC) provides patient specific benefit information, improving transparency and ensuring accurate display of tier/preferred information to health care professionals (HCPs)

Formulary status   **Tier or Preferred Level**

Coverage alerts   **Age & Quantity Limits, Prior Authorization (PA), Step Therapy**

Channel options   **Retail, Mail Order, Specialty**

Member Price   **Member Copay and Cost Sharing Details**

Alternative drugs   **Preferred Formulary/ Lower Cost Options**

Real-Time Pharmacy Benefit Check (RTPBC) – Why, How, When

- RTPBC solves data issues surrounding formulary and benefit information including:
  - Inaccurate display of preferred status and tier level
  - PA indicator missing or incorrect
  - Benefit information at plan, not patient level
- RTPBC data pulled in real-time and direct from payer
  - Provides for more detailed benefit information at patient level

- Formulary and Benefit files will not be replaced
  - Provides "directional" guidance during the initial prescription decision
    - On/Off Formulary -> Formulary Status
    - Tier Level -> Copay Tier, Dollar or Percentage Co-pay
    - PA required
- Can help determine if a RTPBC is even necessary

RTPBC Response Data Elements

Prescription covered by benefit:

- Patient financial responsibility

Prescription not covered by benefits:

- Reason for Denial
- Alternatives
- Coverage Limits
- PA required
- Step therapy
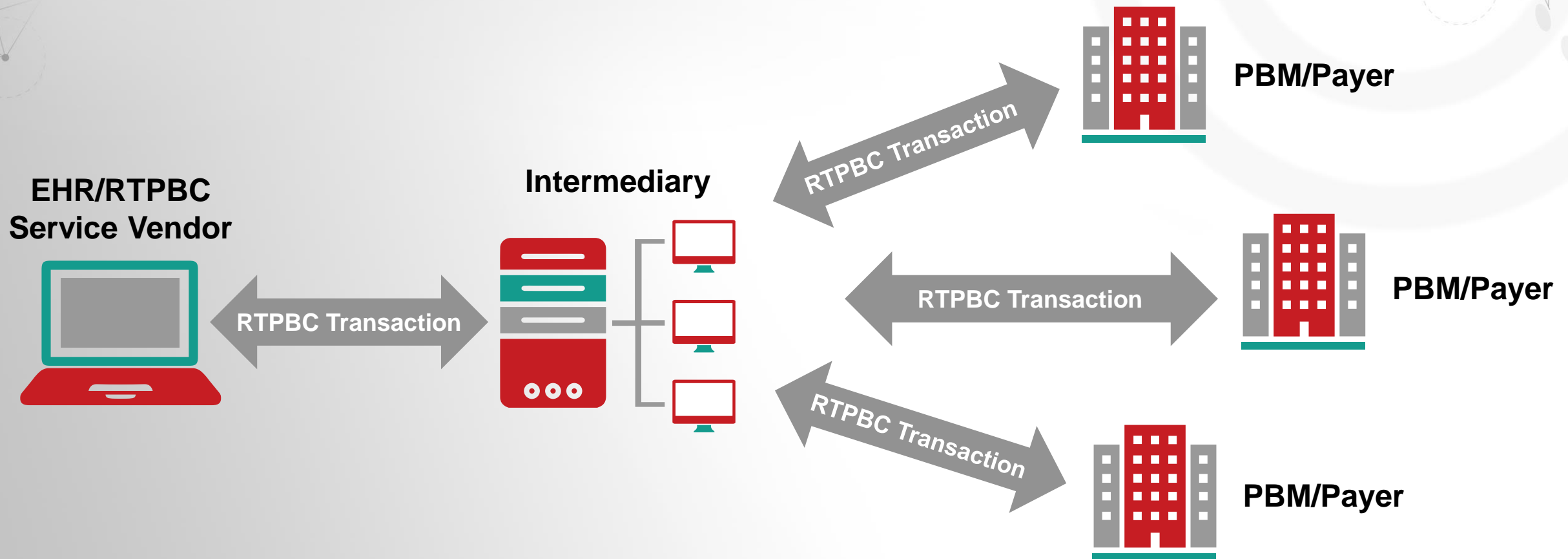- Drug Utilization Review (DUR) alert

RTPBC Direct Connection

With a Direct Connection, prescription benefit information comes directly from the PBM/Payer to the EHR or RTPBC Service Provider. The EHR/RTBC Service Vendor needs to connect directly to multiple PBMs

EHR/RTPBC Service Vendor

RTPBC Transaction → **PBM/Payer**

RTPBC Transaction → **PBM/Payer**

RTPBC Transaction → **PBM/Payer**

Assumption: Vendor checks patient eligibility to confirm where to send RTPBC transaction

RTPBC Intermediary Solutions

Intermediaries already have connections to PBMs/Payers for formulary information. The existing connections are used to send and receive an RTPBC transaction

Overall Spend and Volume Trends
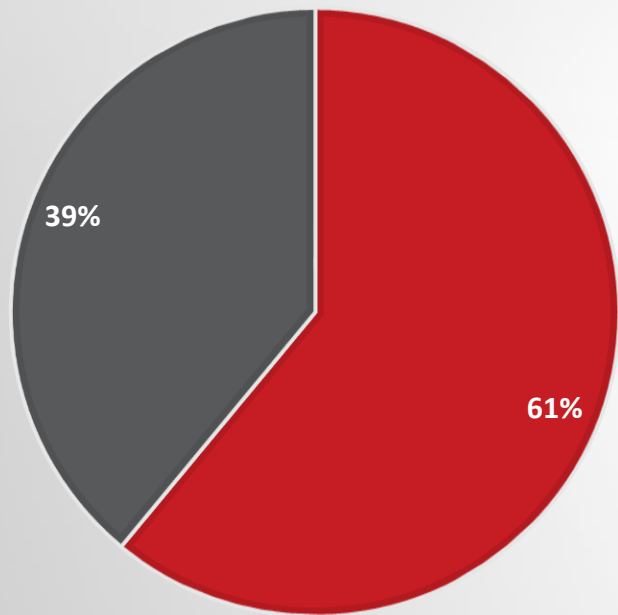
Total Drug Spend by Category

Percent of Total Prescription Volume by Category*

Specialty Rx 2%

Traditional Rxs 98%

…but there are other transactions that are and could be facilitated to support the process

Specialty medications continue to be a growing part of overall drug spend, yet Rx volume remains low. Due to the nature of these medications, the "value" of a single transaction is high
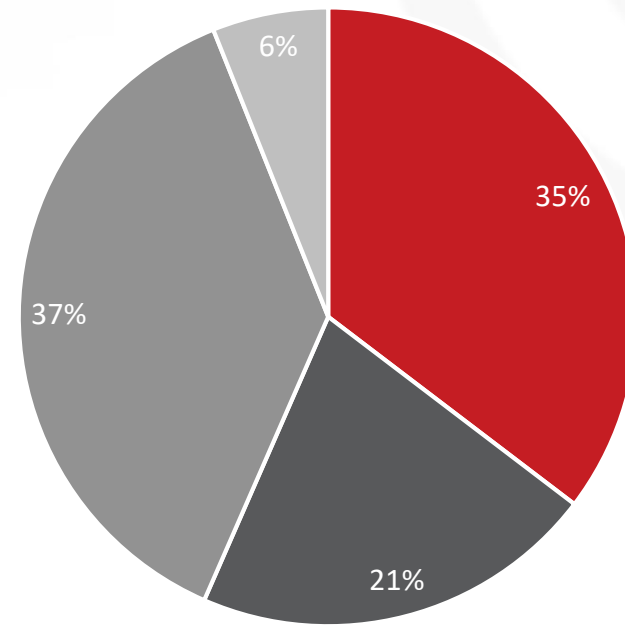
2017 Specialty Spend Distribution

BENEFIT DISTRIBUTION

- Pharmacy Benefit
- Medical Benefit

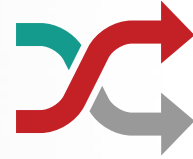## MEDICAL BENEFIT
Distribution by Site of Care

- Physician Office
- Home
- Outpatient Hospital
- Other

Specialty Medication Stakeholders

IDNs

Manufacturers

Hub & Hub Services

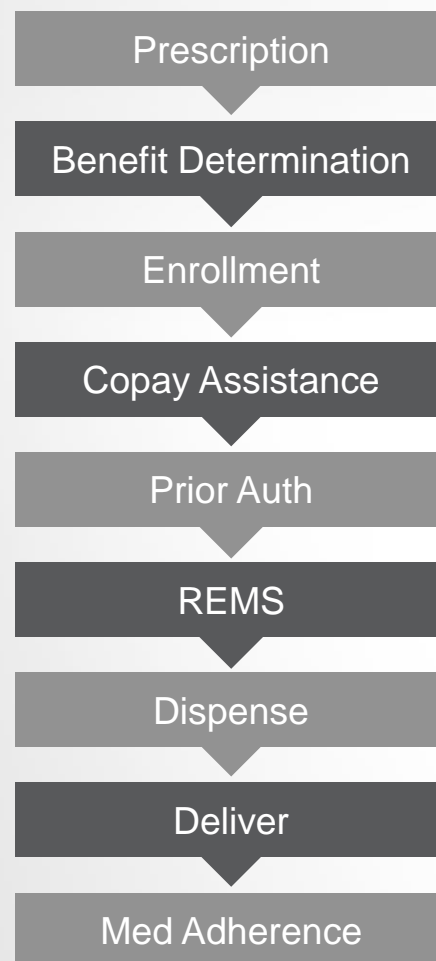Providers

Patient

Pharmacy Benefit Managers

EHRs

Pharmacies

Medical Payers

The Complexity of Specialty Drug Dispensing

*There is a significant amount of complexity involved with dispensing specialty medications and a **number of areas to focus on in regards to standards and moving processes electronic***
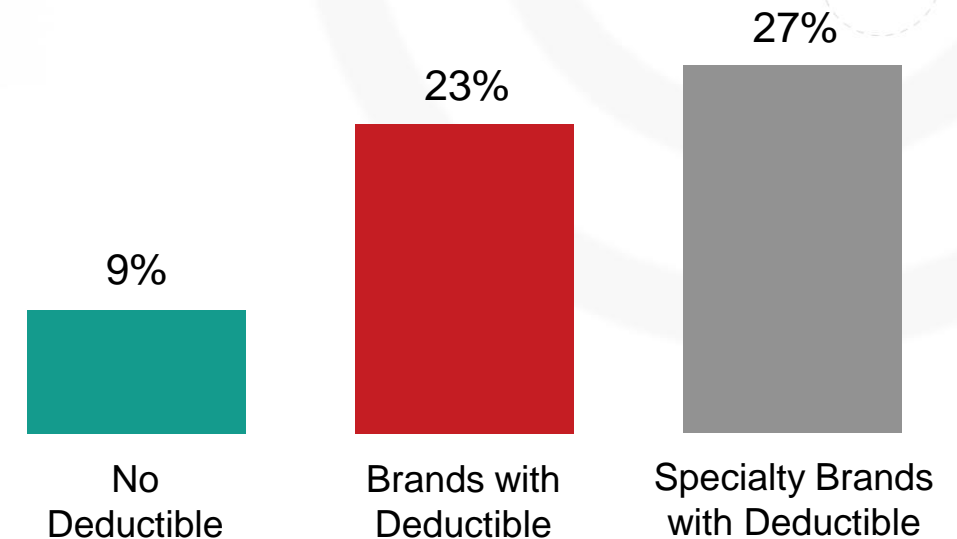
Prescription

↓

Benefit Determination

↓

Enrollment

↓

Copay Assistance

↓

Prior Auth

↓

REMS

↓

Dispense

↓

Deliver

↓

Med Adherence

Prices for Januvia tab 100mg (30 day's supply)

TYPE	PHARMACY INFORMATION	YOUR COST
⊕ Mail Order	Mail-Order price reflects a 90 day supply.	NA Generic $1,061.67 Branded
⊖ BAEDERWOOD PHARMACY Directions	1585 THE FAIRWAY JENKINTOWN, PA 19046-1496 (215) 887-7877 Hours: Mon - Fri: 9AM - 9PM Sat: 9AM - 7PM Sun: 9AM - 4PM	NA Generic $439.44 Branded

Pricing Details:

Day Supply	30	Generic Difference	$0.00
Total Quantity	30	Tax	$0.00
Annual Cost	$5,347.25	Your Cost	$439.44
Copay	$0.00	Plan Pays	$0.00
Deductible	$439.44	Deductible Remaining	$566.86
Over Maximum	$0.00		

TYPE	PHARMACY INFORMATION	YOUR COST
⊕ PATIENT FIRST ABINGTON Directions	938 OLD YORK RD ABINGTON, PA 19001-4703 (267) 620-0237 Hours: Mon - Sun: 8AM - 10PM	NA Generic $430.42 Branded
⊕ GIANT PHARMACY Directions	737 HUNTINGDON PIKE HUNTINGDON VALLEY, PA 19006 (215) 379-3257 Hours: Mon - Fri: 9AM - 9PM Sat: 9AM - 6PM Sun: 10AM - 4PM	NA Generic $423.73 Branded

The Patient Burden

- Patient out-of-pocket costs vary widely between medical and pharmacy benefit and between dispensing sites

- The patient may not be aware of co-pay assistance programs and may abandon therapy if co-pay is too high, particularly if the medication falls under the medical benefit

- Patients are forced to be their own advocates

- Employer benefit changes are particularly challenging for patients and cause therapy delays that negatively impact outcomes

Abandonment Rates for Branded Medicines

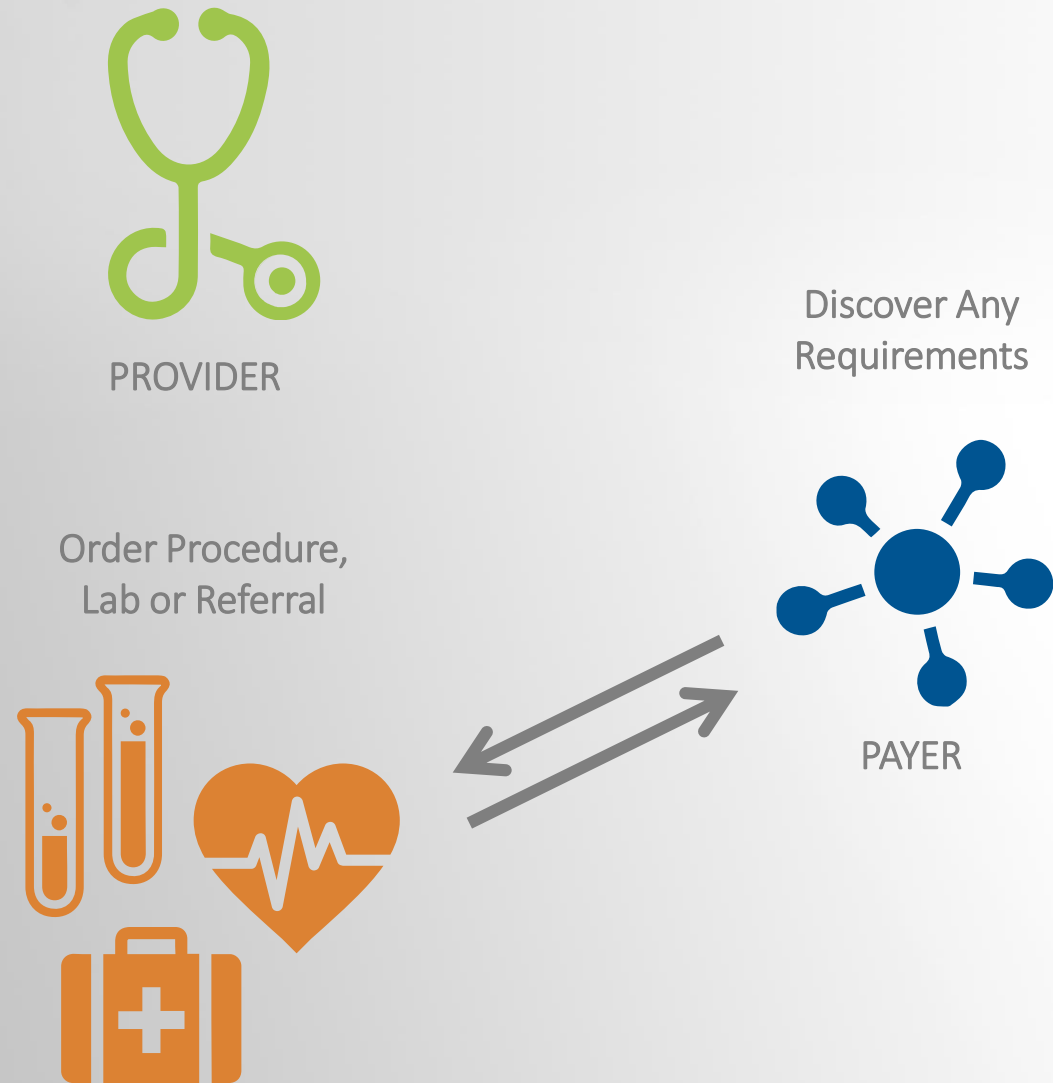|	9%	23%	27%
	No Deductible	Brands with Deductible	Specialty Brands with Deductible

Almost 1 in 4 Prescriptions Are Abandoned By Patients During Their Deductible Phase

Source: Amundsen Consulting (a division of QuintilesIMS) analysis for PhRMA; IMS FIA; Rx Benefit Design, 2015
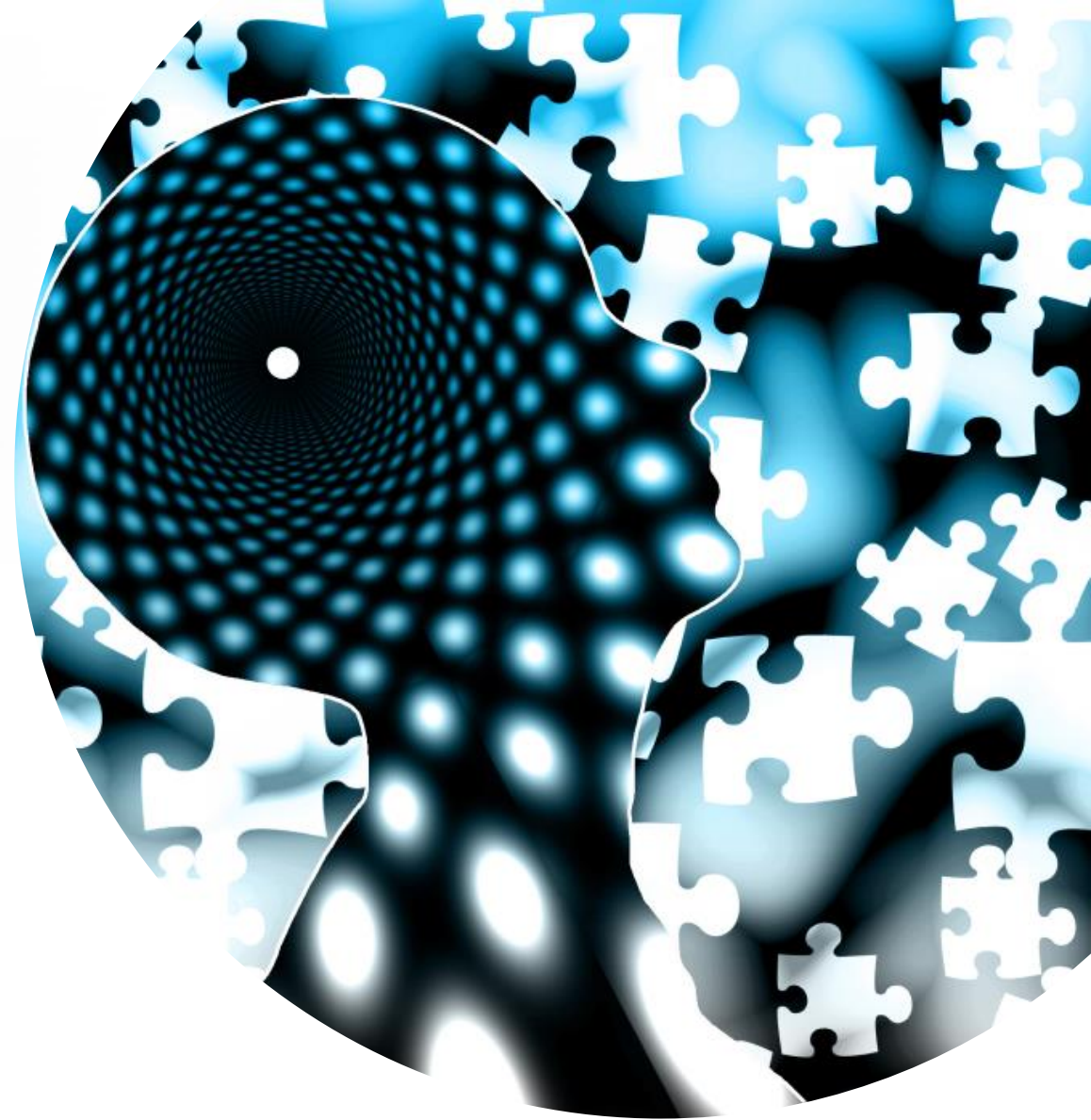
Addressing Barriers: Da Vinci Project Coverage Requirements Discovery

PROVIDER

Order Procedure, Lab or Referral

Discover Any Requirements

PAYER

- Providers need to easily discover which payer covered services or devices have
  - Specific documentation requirements or guidance,
  - Rules for determining need for specific treatments/services
  - Requirement for Prior Authorization (PA) or other approvals
- FHIR based API enables providers to discover payer-specific coverage requirements in **real-time**
  - Answer to discovery request
  - A list of services, templates, documents, rules
  - URL to retrieve specific items (e.g. template)

Considerations, Drivers, Future

- Innovators/Early Adopters will help determine the value and lessons learned/best practices

- There are costs to both the payers/PBMs and EHRs

- Formulary and Benefit (F&B) will not go away with introduction of RTBC; there's debate but both are likely needed

- What will drive wide-spread adoption of RTBC?
  - Regulations
  - Business model

Questions?

Thank You!

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