

Six Ways Hospitals Can Leverage Pharmacy to Improve Financial Results

Ease transitions of care and measurably improve outcomes through optimized hospital pharmacy programs

With the onset of the COVID-19 pandemic in 2020 and the ever-changing needs of an increasingly tech-savvy population, healthcare innovation is more important now than ever before. How and where patients prefer to receive care is changing, with millions of Americans increasingly interested in telehealth visits, hospital at home programs, and other home-based healthcare services.

For health systems and hospitals, this can add a layer of complexity to managing transitions of care—especially for patients with complex needs who often see multiple providers and experience multiple transitions.

One of the few consistencies throughout a patient's healthcare journey is medications.

“

Medications are the common thread—which uniquely positions medication management and pharmacy to act as a unifier across the patient journey and the healthcare delivery system,” said ExactCare CEO Dale Wollschleger, R.Ph. “That’s powerful. Medications can bridge gaps, drive collaboration, and ultimately enable measurable clinical and financial results.

”

This presents a significant opportunity for health systems and hospitals to optimize pharmacy programs for enhanced results, whether through in-house resources or partnerships with pharmacy providers. Expanding hospital pharmacy beyond discharge—and with targeted solutions for patients with complex needs—can improve a hospital's position to participate in value-based care models, retain patients within the system, and optimize revenue.

Here Are Six Ways Hospitals Can Expand Pharmacy Programs for Better Results

1 Ease Transitions of Care

The discharge process can be overwhelming for anyone. It's not uncommon for patients to have trouble remembering next steps, including instructions about how to manage their medications.

Medication-related issues post discharge are especially common for patients with complex medical needs, the elderly, and those with 6+ prescriptions. Some of these challenges include:

- Prescriptions not being picked up
- Lack of understanding of how to take medications
- Discrepancies between what they should and shouldn't take
- Under adherence and over adherence
- Adverse drug events as a result of these challenges

Medication management that includes medication reconciliation and patient education can ease the transition post discharge, and [*mitigate risks that can lead to non-adherence or readmissions.*](#)



The Facts

- Patients leave the hospital with a median of **four new prescriptions**¹
- More than **7% of patients report a prescription-related issue** 48 to 72 hours following a hospital discharge²

2 Improve Readmission Rates

Medications play a key role in overall patient health and significantly impact patient success post discharge. In fact, medication issues are one of the most common preventable adverse events following a hospital stay.

The largest cohort of patients contributing to avoidable readmissions have complex medical needs and are experiencing polypharmacy. Connecting them to comprehensive pharmacy care at discharge can help mitigate issues that negatively impact results.

Medication reconciliation, monthly clinical pharmacy support, and coordination with prescribers can be especially beneficial to overcome medication challenges post discharge and promote:

- Safer use of medications
- Optimized medication therapy
- Better overall health and quality of life

The impact for hospitals? Fewer readmissions and shorter length of stays, as demonstrated in a recent [*RAND Corporation study.*](#)



The Facts

- More than **30% of patients have an adverse event** within two weeks of discharge³
- On average, **26% of patients are readmitted** to the hospital due to a medication issue post discharge³

¹ Kripalani S, Price M, Vigil V, Epstein KR, Prescription Issues after Hospital Discharge. J. Hosp. Med 2008;1;12-19. doi:10.1002/jhm.248

² Post-discharge medicines management, Health Expectations. 2020;23:1603-1613

³ 2017 Study published in the Journal of American Pharmacists Association

3 Prevent Patient Leakage

Revenue losses as a result of patient leakage add up over time, and the missed opportunity to coordinate care, especially for higher-risk patients, can compromise quality-based care initiatives.

The largest cohort driving leakage are higher-acuity patients taking multiple medications and managing chronic conditions. Pharmacy support that not only targets the unique needs of this high-risk population but also eases transitions of care can build stronger relationships between patients and your network providers.

Consider post-discharge medication management that includes both clinical support and adherence interventions—as well as methods to promote patient-provider collaboration—to enhance patient satisfaction, build consumer loyalty, and drive optimal retention results.

4 Increase Script Capture and Optimize 340B Performance

Capturing prescriptions written in network can be especially difficult for hospitals. Many prescriptions are never filled, and those that are often are filled at **local or mail order pharmacies**. 340B hospitals have the added struggle of preventing prescription leakage to non-covered pharmacies.

Ensuring patients have a plan to fill their medications ongoing can be discussed during the discharge process. Patients with especially complex needs may benefit from pharmacy support that includes refill management (by a 340B covered entity pharmacy when applicable).

A best-practice approach complements Meds to Beds programs and includes multiple adherence interventions post discharge, including:

- Coordination with prescribers to obtain new prescriptions
- Patient notification when appointments are needed to obtain refills
- Monthly management of refills
- Delivering medications

This not only **promotes improved adherence** but also increases prescription pull-through and refill rates.



The Facts

- Hospitals lose **15% to 30% of revenue** to patient leakage¹
- This leads to **\$200M to \$500M** in annual losses¹



The Facts

- Only **15-20% of prescriptions are refilled** as prescribed²
- Hospitals typically **do not capture more than 1-2 fills** on a prescription written in network³

¹ Healthgrades, www.partners.healthgrades.com/faq/patient-referral-leakage. Patient Leakage: A new survey highlights high costs, limited control, Sage Growth Partners, Fibroblast Group. 5Patient Adherence. 2017 Apr 20;11:801-810. doi: 10.214/PPA.S2125672 2017.

² Medication Adherence in America: A National Report Card (Issue brief). (n.d.). Retrieved August 25, 2020, from National Community Pharmacists Association website: http://www.ncpa.co/adherence/AdherenceReportCard_Full.pdf

³ Kripalani S, Price M, Vigil V, Epstein KR, Prescription Issues after Hospital Discharge. J. Hosp. Med 2008;1;12-19. doi:10.1002/jhm.248

5 Diversify Revenue Streams

Expanding pharmacy programs beyond the hospital improves continuity of care, further enhances the patient experience, and enables revenue capture across the healthcare continuum.

Consider providing patients access to services such as high-value specialty pharmacy, home infusion, and medication management for patients with complex medical needs. These types of pharmacy services improve access to care and brand recognition—and can be provided by third-party pharmacy providers for lower overhead costs and speed to market.

This expanded approach can lead to cost advantage improvements throughout the duration of care and new revenue streams to drive overall organizational growth and financial performance.



The Facts

- **85% of patient care** occurs outside the hospital¹
- An estimated 80% of specialty prescriptions originate in the hospital but **<15% of the first fill are captured**¹

6 Optimize Value-Based Reimbursement

Expanded pharmacy support that targets patients with complex medical needs is a leading strategy that can better position hospitals for optimizing value-based arrangements.

Comprehensive medication management support for this higher-risk population has been proven to enable better patient outcomes including improved adherence, lower readmissions and fewer inpatient days. These outcomes can also better position a hospital to enhance value-based partnerships with health insurance payers.

These notable total cost of care savings can quickly add up, demonstrating a hospital's commitment to a strong payer-provider collaboration that's focused on delivering a better patient experience and improved outcomes for both organizations.



The Facts

- ***A recent RAND Corporation study*** evaluated the impact of a more comprehensive post-discharge medication management model, demonstrating up to **\$5,400+ in savings per patient per year**

¹ Pillai I. Limited Distribution Drugs 101. Decision Resources Group. <https://decisionresourcesgroup.com/blog/limited-distribution-drugs-101/>. September 27, 2019.

“Medications are one of the most frequent ways people experience the healthcare system—and can significantly impact overall patient success. This creates a unique opportunity for health systems and hospitals to transform the pharmacy experience for patients, while ultimately improving overall patient health, enhancing quality of care, and reducing unnecessary healthcare costs.

Dale Wollschleger, R.Ph | ExactCare CEO