

Medicare Part D: A Managed Care Pharmacy Viewpoint on Enrollment

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A Managed Care-Pharmacy Viewpoint On Enrollment

- Industry Education Strategies and Expectations
- Priorities for and Success Factors in the Enrollment Process
- Perspectives on Coordinating Enrollment in Rural Communities

A Managed Care-Pharmacy Viewpoint on Enrollment *Industry Education Strategies and Expectations*

- Medicare Rx Education Network
 - 40 national organizations
 - AHIP
 - NACDS
 - National Council on Aging
 - American Hospital Association
 - American Medical Association
 - AARP
 - BCBSA
 - Business Roundtable
 - Pharmaceutical Manufacturers

A Managed Care-Pharmacy Viewpoint on Enrollment *Industry Education Strategies and Expectations*

- Educational Partnerships
 - Humana / Wal-Mart
 - Aetna / CVS / Rite Aid
 - United Health Group / 24 page booklet distributed in many stores, Walgreen, CVS, Target
 - Humana using ING to reach out and educate

A Managed Care-Pharmacy Viewpoint on Enrollment *Industry Education Strategies and Expectations*

- Educational Partnerships
 - Coventry / Rite Aid community outreach, educational activities, and in-store experts
 - Wellpoint / Walgreen in-store education and marketing, community outreach
 - United Health / AARP using AARP publications, website, state offices, volunteers and community partners

A Managed Care-Pharmacy Viewpoint on Enrollment *Industry Education Strategies and Expectations*

- Traditional Approach
 - Regence Group – educational seminars for current and potential members
 - CareFirst – Meetings and expos focused on seniors
 - Aetna hosting educational workshops in 160 senior centers around the country, educational information is 2400 senior centers

A Managed Care-Pharmacy Viewpoint on Enrollment *Industry Education Strategies and Expectations*

- Other Approaches
 - Ovations will use extensive information tools and consumer resources
 - Epocrates – Educational website information
 - Medicare Oklahoma – Medicare advocating education on Part D benefit with state-wide informal meetings

A Managed Care-Pharmacy Viewpoint on Enrollment *Industry Education Strategies and Expectations*

- Pharmacies/pharmacists in a unique situation?
 - Pharmacy is the most frequently used health benefit
 - Thirty percent of consumers would likely turn to their pharmacist for help in deciding whether to enroll in a Medicare drug plan
 - Reinforces the value of a strong retail network in a program
 - Requires programs to have closer ties with pharmacies than claims payments

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Program / Partnership Strategies
 - Defend Turf / Grow Market-share
 - Expand Current Pharmacy Portfolio
 - New Competitors
 - Specialization

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Defend Turf / Grow Market-share
 - Blue Cross Blue Shield Programs
 - Large Commercial Health Plans
 - Medicare Advantage Plans
 - Medigap Plans

Pros: Experience with individual sales,
marketing, service, risk

Cons: Varying degrees of true drug spend
management

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Expand Current Pharmacy Portfolio

- Chain Pharmacies
- Independent Pharmacies
- Pharmacy Benefit Managers

Pros: PBMs have lots of experience with claims, customer service, formulary and clinical

Cons: Little experience with individual sales, marketing, service, risk

Little experience at true drug spend management beside volume discounts

Pharmacies need partners

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- New Competitors
 - Life Insurance Programs
 - Pros: Experience with individual sales, marketing, service, risk
 - Cons: No drug spend management capabilities
- Specialization
 - HIV specialization

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Partnerships to reach and service members
 - Humana / ING
 - United Health Group (Ovations) / Walgreens
 - Universal American / PharmaCare
 - Wellpoint / Walgreens
 - PacifiCare / AAA Auto Club South
 - Informed Decisions / NACDS to focus on the dual-eligible through Beneficiary Centered Enrollment program
 - NCPA / MemberHealth / CSC

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Major enrollee behavior patterns unknown
 - Who will enroll?
 - When will they enroll?
 - Which enrollment channels will be most effective?
 - What will be the distribution during initial signup period?
 - How many will wait and see?
 - Will it mimic DDC with many potential enrollees unaware of the program?
 - Will the penalties scare enrollees into signing up?

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Basic Enrollment Presumptions
 - Sickest enrollees will seek benefit initially
 - Auto-enrollees / Dual-eligible will be assigned
 - Enrollees will migrate to known entities:
 - Blues
 - Local major health plan
 - Current DDC vendor
 - Pharmacist recommendation

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Importance of influencers:
 - Local pharmacist
 - Seniors groups
 - Peers
 - Family support structure
 - Senior center

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Auto-enrollees / Dual eligible
 - Will they stick?
 - Will they be marketed to?
 - Are they desirable?
 - Premium versus risk adjustor

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Enrollment Process
 - Success will depend on the member acquisition ease and cost
 - Experience in:
 - Individual marketing
 - Individual sales
 - Individual enrollment
 - Individual billing

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Enrollment
 - Paper Enrollment Forms
 - Face-to-face
 - Mail
 - FAX
 - Secure Internet Site
 - CMS On-line Enrollment Center
 - Telephone Enrollment (Only in-bound/recorded)
 - Auto-enrollment for Dual-Eligible

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Tremendous strain on resources leads to many solutions:
 - Redirecting staff
 - Enrollment period short and intense
 - Need to use experienced and knowledgeable staff
 - Complex program
 - During down time focus on those turning 65
 - Outsource / Joint Venture

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- PDP operational unknowns
 - Operational nightmares of the first 2-3 months
 - Need highly trained personnel for a short duration
 - Unknown pattern, distribution, channel and timing
 - Auto-enrollees may need tremendous support

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Enrollment / Service Calls
 - Length of phone call
 - Number of phone calls
 - Internet penetration / savvy

A Managed Care-Pharmacy Viewpoint on Enrollment *Priorities and Success Factors in the Enrollment Process*

- Satisfaction / growth dependent on good member service
- Member service units do not staff for perfect:
 - Speed to answer stats
 - Talk time stats
 - First call resolution
 - Normal January / July timeframe is difficult at best

A Managed Care-Pharmacy Viewpoint on Enrollment *Perspectives on Coordinating Enrollment Efforts in Rural Communities*

- Independent pharmacy geographic distribution
- Blues penetration
- Major health plan penetration

A Managed Care-Pharmacy Viewpoint on Enrollment

- Necessary Elements (United Health)
 - Consumer friendly
 - Simple in design
 - Easy to use
 - Emphasis on consumer education
 - Affordability
 - Safety
 - Consumer choice