

Pharmacy: The Catalyst of COVID Financial Recovery – 12 Ways to Win

Introductions

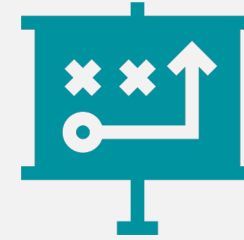
Jim Jorgenson, MS, RPh, FASHP, Visante CEO

Steve Rough, MS, RPh, FASHP, Visante Sr. VP

Goals of the webinar



Briefly review current and projected impact of COVID on hospitals and health systems



Share suggested strategies for pharmacy to lead the financial recovery effort

Hospitals in financial distress

TECH

U.S. hospitals are losing millions of dollars per day in the midst of the Covid-19 pandemic — and recovery may take years

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HFMA SURVEY: TWO-THIRDS OF HOSPITAL EXECS PREDICT FULL YEAR REVENUES SLIDE 15% BECAUSE OF PANDEMIC

BY JACK O'BRIEN | MAY 21, 2020

Hospitals Knew How to Make Money. Then Coronavirus Happened.

Surgeries are canceled. Business models are shifting. Some of the hardest-hit hospitals may close, leaving patients with fewer options for care.

Data Shows U.S. Hospitals Are Losing \$1.4B in Daily Revenue, Due to Patient Volume Decline

Hospital ED Visits in California, Five Other States Bounce Back but Remain Well Below Pre-Pandemic Levels

Consultants will be engaged



Avoid costly mandates
and loss of staff:

01 Be proactive

02 Paint the picture (Business within the Business)

03 Get a seat at the table



Every Problem is an Opportunity in Disguise

John Adams

Realizing pharmacy's full value – A time for action!



01 | Revenue enhancement

- » Revenue cycle improvement
- » Retail/specialty pharmacy growth
- » Site of care strategies
- » Direct to employer contracting



02 | Non-labor cost savings

- » 340B program performance
- » Supply chain opportunities
- » Drug utilization management
- » Insource sterile compounding
- » Employee drug benefit redesign
- » Consolidated services



03 | Workforce/labor savings

- » Labor efficiency improvement
- » Technology and remote services

Revenue enhancement



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Revenue cycle improvement



Medical and pharmacy
benefit opportunities



Enhance collections



Minimize denials
and write-offs

Retail/specialty pharmacy growth



E-Prescribing data analytics
to prioritize opportunities



Prior authorization
programs



Convenient
filling solutions



Align with managed
care contracting

Site of care strategies



Align with managed
care contracting



Shift care from medical
to pharmacy benefit



Non-hospital
infusion suites



Home infusion
strategy is a must

Direct to employer contracting



Pharmacy partnership with health plans and other health systems



LLC strategy to improve cost of goods, expand payer contracts and external business structure

Non-labor cost savings



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340B program performance



Clinic conversion strategy



WAC spend optimization



Contract pharmacy network optimization



Eligibility strategies



Telepharmacy services and referrals

Pharmacy supply chain opportunities

01

Wholesaler contract
renegotiations

02

Secondary
wholesaler strategy

03

Class of trade
optimization

04

Direct contracting

05

Low unit of measure
distribution

06

Innovative therapy and
biosimilar “stewardship”

Drug utilization management



Value-based payment models will elevate in importance



Focus on basic formulary management principles is still necessary



Must have line of sight on Innovative therapies including gene therapies and biologics



Med surg and other non-drug supply expense is ripe for pharmacy to help lead

Insource sterile compounding



Minimize reliance on
outsourced compounders



Opportunity to establish 503A
and/or 503B compounding facility



Batch preparation to balance timely
availability and preparation efficiency
with waste minimization

Employee drug benefit redesign



Analyze pharmacy benefit spend, program performance, and savings opportunities



Optimize employee specialty prescription capture in owned retail/outpatient pharmacies



Re-negotiate existing PBM agreements with the employee health plan, leveraging new fully-transparent models



Design, plan and implement strategies to internalize select aspects of PBM services

Consolidated services



Workforce/labor savings



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Labor efficiency improvement



Have a plan



Skill mix considerations



Leverage pharmacy technicians to free nursing time



Have a plan to achieve <50th percentile in capitated payment areas

Technology and remote services



Electronic prior
authorization



Centralized
medication histories



Satellite pharmacy
consolidation



Remote workload
balancing

THE BUSINESS OF PHARMACY

HOW CAN VISANTE HELP?



Thank You!

Discussion/Q&A

INSTRUCTIONS:

2 Ways to Submit Questions/Comments:

“Raise Hand” on your control panel. We will unmute you and let you know when it’s your turn to speak.

“Q & A” function on the control panel.

