

Innovation in drug-plan management goes to the next level

As health care costs continue to rise rapidly, the value of our investment in health care dollars is increasingly becoming a concern for Canadians including both our private and public health care sectors. Numerous reports and studies over several years have shown that despite a high level of investment in our health care system, Canadians are not getting optimum value. (And you may have read the June 2017 issue of *The Inside Story*[®] which provides an overview of areas where Canada could improve and international examples of quality improvement.)

Green Shield Canada (GSC) has a reputation of developing effective cost-management strategies and innovative service initiatives that focus on value, particularly in the area of drug-plan management. To spotlight the range and depth of GSC's value-focused innovations, we have now assembled all our cost-management policies, strategies, and initiatives under one overarching banner: SMARTspend.

SMARTspend means value

Value means it's not enough that a health care product, service, organization, or provider just deliver *something* – it's about the quality and health outcomes associated with that something. The idea is that every investment in health care – including providing plan members with health benefits – should produce a high-quality outcome relative to its costs. As a plan sponsor it's up to you to decide how you are investing in health care services that deliver the value and results you desire or require. At GSC we offer, and continue to develop, a full suite of strategies to support your plan philosophy. Taken together, the GSC offerings grouped under the SMARTspend umbrella are designed to attach value to your health benefits spend. These include:

HIGH COST DRUGS

- Initial 10-day supply limit for high-cost drugs
- Ongoing 30-day supply limit for high-cost drugs
- Biologics Management Policy
- Biosimilars Policy
- Special (or prior) authorization process
- Specialty drug preferred pharmacy network

WASTAGE, PRICING, AND FORMULARY MANAGEMENT

- Initial 30-day supply limit for maintenance drugs
- Ongoing 90-day supplies of maintenance drugs
- Provincial plan coordination
- Mandatory generic substitution
- Maximum allowable cost
- Conditional Drug Formulary[®]

PLAN MEMBER SAFETY

- Narcotic Pain Medication Policy
- Migraine Management Policy
- Concurrent drug utilization review
- Compound Drug Policy

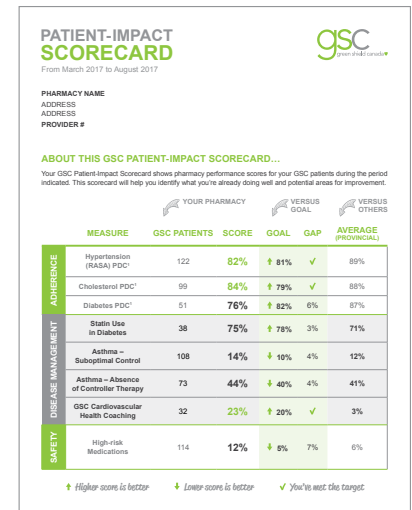
And, now, introducing... GSC's Value-based Pharmacy Initiative

A growing trend in health care internationally and in Canada is the implementation of performance measurement and results-based pay for a range of health care providers. The Value-based Pharmacy Initiative, our first new program under the SMARTspend banner, redefines our pharmacy provider management strategy to concentrate on quality in pharmacy care.

In late 2017, GSC will be the first payor (public or private) in Canada to start measuring pharmacy performance on an individual pharmacy basis and providing feedback to help pharmacies gain insight into what they're already doing well and areas where there's room for improvement. We will be supplying all pharmacies across the country with easy-to-understand Patient-Impact Scorecards based on GSC claims data that highlight key information regarding patient adherence, safety, and disease management. These scorecards will rate the pharmacy's performance on a set of eight evidence-based measures and will be provided monthly.

The goal? Patient-focused high-quality care

By measuring pharmacy performance and providing feedback, GSC is driving accountability in our health care system and ensuring that patients are getting the best possible quality of care. Ultimately, this translates into better value for the dollars that you invest in your plan members' health.



In developing the Value-based Pharmacy Initiative, we focused on three key objectives:

→ Providing performance feedback to facilitate improvement

The performance information shown on the scorecards is specific to an individual pharmacy location, is regularly updated with new data, and includes quality improvement targets. The scores indicate how the pharmacy is performing on each measure relative to GSC-set goals as well as compared to the average across all pharmacies in a given province.

→ Reaching high needs patients

Through the report cards and the associated online portal, we enable pharmacies to identify which of their patients is most in need of intervention and additional support, such as those with suboptimal adherence or utilizing potentially unsafe medications. This provides pharmacies with actionable information on which to impact their scores and target their quality improvement efforts.

→ Supporting evolution of pharmacy profession

As the scope of pharmacy practice continues to evolve, we are seeing a transition from primarily providing fee-based dispensing of prescription drug products to the delivery of high-quality patient-focused pharmaceutical care. Through programs such as GSC's Pharmacist Health Coaching for smoking cessation and cardiovascular disease and now with the Value-based Pharmacy Initiative, GSC recognizes and supports this transition to an expanded role for pharmacists.

Looking ahead: A three-phase implementation

Phase one – Pharmacies will start receiving their monthly Patient-Impact Scorecards in October 2017 and will also have access to additional performance information through a secure interactive website. This will allow for ample opportunity for performance reflection and potential improvement.

Phase two – Pharmacy performance information will be made available to plan members through an online search tool. This will enable plan members to choose a pharmacy not only based on factors such as cost and location, but also actual quality of care delivered by that pharmacy. This phase is currently in development and is expected to launch in 2018.

Phase three – Eventually, GSC will tie pharmacy reimbursement to performance scores. This will ensure that pharmacies providing higher quality of care are rewarded for their efforts, while pharmacies with suboptimal care may see their reimbursement diminished. This phase is still early in the development stages with much consultation and collaboration with pharmacy community in the coming months.

We will be sure to keep you updated on phases two and three as they progress over the next 12 to 18 months.

Questions?

If you have any questions about any SMARTspend policies or strategies, please contact your GSC account executive.