



# Medically Integrated Dispensing in the Oncology Practice

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Medically Integrated Dispensing in the Oncology Practice

# Agenda

- 1 What are the Benefits?**
  - Oral Therapy Pipeline
  - Shift in benefit coverage from Medical to Pharmacy
- 2 What will it take?**
  - Utilization
  - Staffing
  - Regulatory requirements
- 3 How long will it take?**
  - Implementation Bottlenecks
  - Sample Timeline
- 4 Gold Standards**
  - Qualities of a successful MID
- 5 Conclusions**
  - Questions?

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What are the benefits of a Medically Integrated Dispensing (MID) Program?  
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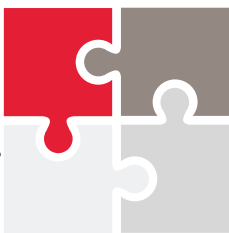
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Medically Integrated Dispensing in the Oncology Practice



**Strong Oral Medication Pipeline**  
 Many new chemotherapy agents are coming in oral dosage form


**Shift in patient Benefits from Medicare Part B to Medicare Part D**  
 Reduces total out of pocket cost to employer; Pharmacy Benefit Managers (PBM's) favor this shift.

**Additional Revenue Stream**  
 Good management of MID can provide practice with additional revenue stream

**Better management of patient care with OCM/EOM**  
 Enhanced ability to influence positive outcomes for better value-based care

## Benefits of MID

“a dispensing pharmacy within an oncology center of excellence that promotes a patient-centered, multidisciplinary team approach. The medically integrated dispensing pharmacy is an outcome-based collaborative and comprehensive model that involves oncology health care professionals and other stakeholders who focus on the continuity of coordinated quality care and therapies for cancer patients.”  
 -National Community Oncology Dispensing Association (NOCDA)



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What will it take to establish a Medically Integrated Dispensing Program?  
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## Evaluation

What are things to consider before beginning implementing a Medically Integrated Dispensary?

- Regulatory**
  - Board of Oversight differs from state to state
  - State requirements can dictate what licensures a dispensing program can have (retail pharmacy vs physician dispensary)
- Utilization and Staffing**
  - How many new prescriptions for oral medications are being written within the practice?
  - Are there enough potential prescriptions to sustain business?
  - What staff will be supporting the operations of a dispensary?
- Partners**
  - Software Partners
  - Payer Contracting Partners
  - GPO/Distribution Partners

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- Software**  
Must have Pharmacy Dispensing Software system in order to transmit claims to Pharmacy Benefit Manager (PBM).
- Payer Contracting**  
Most MID's partner with Pharmacy Services Administrative Organization (PSAO) to facilitate gaining access to payer networks. Most MID's will require some independent contracts as well.
- GPO/Distribution**  
Product discount and rebates offered from manufacturers and distribution partners help ensure profitability of revenue stream



What are the benefits of strong partnerships?  
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There are many differences between medical and pharmacy claims billing, working with appropriate partners can ensure operational success.



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How long will it take to set up a Medically Integrated Dispensing Program?  
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## Getting Started

How can a practice get started implementing their own Medically Integrated Dispensing Program?

**Licensure**


- Time required to work with appropriate state board of oversight to obtain licensure can vary by state and dispensing type

**Payer Contracting**

- Largest bottleneck of the process
- Can be impacted by payer mix, geographical location, dispensing type
- Process is expedited using PSAQ, but independent contracting will be required

**Software Implementation**

- Pharmacy dispensing software system will be required
- Must ensure appropriate IT personnel are involved before installation day

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## Timeline

- 1**

**Obtain Credentials**

  - Licensure
  - Liability Coverages
- 2**

**NCPDP Set-Up**

  - Apply for NCPDP Number
- 3**

**Payer Contracting**

  - Affiliate with PSAQ
  - Apply for Independent Payer Contracts
- 4**

**Software Contracting**


  - Determine installation date
- 5**

**Go Live**

  - Software System and some payer contracts in place
- 6**

**Pathway to Continued Success**

  - Determine other payer contracts needed
  - Accreditation

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## Gold Standards

What are the hallmarks of "successful" medically integrated dispensing programs

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| <p><b>01</b></p> <p><b>Dedicated Staff</b></p> <p>Pharmacy operations, workflow, and claims billing, are very different than medical operations, workflow, and claims billing. Having a staff focused on Pharmacy operations is a key indicator of success.</p>  | <p><b>02</b></p> <p><b>Financial Management</b></p> <p>Pharmacy reimbursement often includes retroactive fee's (DRG) that can cause medications to be reimbursed below cost. Practice must have good understanding of revenue cycle management of pharmacy.</p>  | <p><b>03</b></p> <p><b>Strong Integration with Medical Practice</b></p> <p>Full staff and leadership support is required to ensure that medically integrated pharmacy can achieve fullest utilization of therapy and best patient outcomes.</p>  | <p><b>04</b></p> <p><b>Attention to Detail</b></p> <p>Dispensing errors in the MID can be costly as Payers can take back or withheld funds if these errors are discovered in an audit. Proper adherence to regulatory as well as payer requirements, mitigate this risk.</p>  | <p><b>05</b></p> <p><b>Strong Partnerships</b></p> <p>Strong partnerships can enable MID staff to focus on patient care by removing administrative burdens and improving operational efficiency.</p>  |
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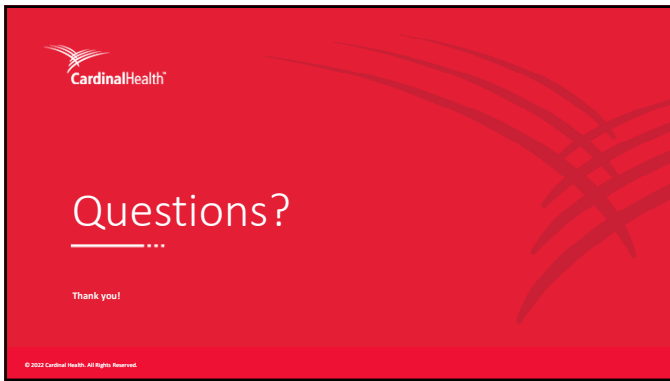
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