

Relationships critical in complex marketplace

FLINT, Mich. — The health care market continues to change, not only with the evolution of the health insurance marketplace but also through the development of accountable care organizations, notes Susan Faust, vice president of new business development and payor strategy at Diplomat Pharmacy.

Diplomat, she adds, is a valuable partner in helping various components of the health care spectrum to adjust to those changes.

“There is a lot of opportunity for specialty pharmacies to partner with these different entities and to be able to assist in specialty spend, which has grown exponentially because of the rich pipeline of drugs,” she says. “We think that accountable care organizations are going to be instrumental in really taking a look at health care in total or certainly at health care associated within their systems, and be able to implement some important initiatives that lead to better clinical

outcomes while meeting the other objectives of payors.”

Faust joined Diplomat’s senior leadership team earlier this year. Part of her responsibilities include assisting in Diplomat’s efforts to support payor partnerships that will create and implement initiatives in a cost-effective manner for the specialty market.

Under the new business development role, she works with both established payor clients and new prospects. The payor strategy responsibilities “cover pretty much what it implies — any payor, meaning health plan, employer, insurance company, accountable care organization, insurance exchange,” explains Faust.

“If it pays, then it is under myself and my team. And we look to go all the way from the introduction of Diplomat’s services to the payor entity to the contracting to the management of that payor, meaning that we are the one that delivers the reports, has quarterly meetings and looks at their goals and objectives and then matches Diplomat’s products and services to those objectives.”

She points out that Diplomat’s strategy for controlling the health care expenditures of payors takes a number of factors into consideration, particularly pertaining to inventory management and whether drugs are covered as part of the pharmacy benefit or the medical benefit as well as the site of care where the drug is administered.

Faust’s expertise is especially valuable as it relates to coverage decisions for drugs under the medical benefit because their



Susan Faust,
Diplomat Pharmacy

coding is more complex than that for drugs under the pharmacy benefit. She and her team also address charges related to medical billing, “and those can be equally difficult to discern, because several services could be bundled in a single charge.”

Later, adds Faust, payors must decide what specific therapy or therapies it is going to consider and then perhaps change the site of service, based on what it is costing them in the site of service where it is currently being used and what it would cost in another site of service.

“If the payor takes a look at its hospital outpatient charges, the cost for administration alone is usually higher than other sites of care — other sites meaning either a physician’s office or home care. And the drug could also be inflated in that hospital outpatient care setting,” says Faust.

After conducting its analysis, the payor examines what strategy it has chosen to move to a less costly site of care and then looks at its benefit design

and sees whether that design allows for a change for site of care.

“Communication, early and often, is the key,” she says, whether such decisions are being made by a payor or a health plan, the latter of which could encounter a backlash from patients and physicians who are frustrated with benefit design changes or prior authorization requirements.

Concerning site-of-care provisions, Faust comments that there are obvious reasons for drugs being administered in different settings. “For example, oncology drugs are often administered in a clinic or in a physician’s office because of their side-effects profile; they definitely need an extra layer of clinical monitoring done by a doctor, an RN, etc.,” she remarks. “And there can be the need for labs either pre or post the infusion. It makes all the sense in the world to have chemo and other oncology drugs administered in an outpatient setting or a physician’s office because of the need for that kind of oversight.”

Other medications that don’t have a side-effects profile that needs additional monitoring and that are self-administered — such as immunoglobulin and medications for Crohn’s disease, rheumatoid arthritis and psoriasis — may be appropriate for the home care setting, notes Faust. “There are, again, reasons for all sites of care, but from a cost perspective for the payor and a convenience perspective for the patient, the home care site can be very attractive as well as being clinically appropriate,” she says.



Diplomat makes mark with high-touch approach to service

FLINT, Mich. — Providing support services to retailers that fill specialty prescriptions for patients is a strategic function at Diplomat Pharmacy.

The work entails support to remove access issues such as prior authorizations, appeals and efforts with foundations to overcome financial barriers for patients. Educating patients on the importance of adherence to therapy is another fundamental component of the specialty offering.

The goal of the specialty at retail program can be described as providing high-touch specialty services to patients to support a timely onboard on therapy and optimize their specialty therapy, says retail specialty network senior director Ela Lourido.

For network partners, Diplomat has been able to provide support for specialty patients.

One of the challenges that retailers face is knowing how to navigate the complex reim-



Ela Lourido,
Diplomat Pharmacy

bursement needs for specialty prescription. As an example, in the case of prior authorization, Diplomat has the capability to help retailers complete the process in a timely manner and get the patient started on therapy as quickly as possible, she notes.

The company also plays a major role when it comes to adherence. “Patients that we’re man-

aging on behalf of our partners receive a compliance and persistency call before the patient runs out of therapy,” Lourido says. “The goal of that call is to ensure that the patient is doing well on therapy and not experiencing adverse events or side effects.”

The compliance and persistency call is critical for patients in a retail setting, she says. “Not only do we understand how the patient is doing on therapy during this call, but we also have the opportunity to assist if they’re not doing well. For instance, if a patient is having an adverse event, that’s the opportune time for our clinical pharmacist to connect with their prescriber and try to identify whether a different course of therapy needs to take place. That goes for side effects as well.”

“Our partners value Diplomat and the specialty knowledge and expertise that we bring to them,” Lourido adds. “The big-

gest value that our partners continuously point to — and this feedback comes directly from the pharmacists that are involved with delivering care for these patients day in and day out — is our capability to help them with prior authorizations and turn those around relatively quickly, and our ability to help

hospitals, Diplomat’s approach with them is very flexible and integrated, based on each hospital’s operating procedures and strategic needs.

“Oftentimes we take more of a consultative role with our hospital partners to understand how best to structure a specialty program that will maximize the pa-

‘Our partners value Diplomat and the specialty knowledge we bring to them.’

tient value,” says Lourido. For retailer and hospital partners, the ultimate goal is to enable the pharmacy to provide a patient-centric program whereby they have the ability to dispense a specialty prescription, provide disease state education to the patient and remove any access barriers through the assistance of Diplomat’s wrap-around clinical service.

Diplomat has a similar partnership model with hospitals, providing support services for their outpatient pharmacies. But because of the idiosyncracies of