

Rx plans benefit all

How affordable drug plans can save lives **Interviewed by Amy Borghese**

When patients are diagnosed with a chronic or life-threatening disease, physicians must determine if drug treatment is the best option for their patient's needs. Health plans utilize several programs, including a drug benefit management program, to ensure drugs are affordable and accessible to patients who need them.

With a drug benefit management program, the goal is to provide appropriate, affordable and accessible drug benefit coverage so that positive patient outcomes are achieved, says William Valler, associate vice president of pharmacy at Priority Health. With such a program, new medications are constantly reviewed and updated. This program also works as a type of check and balance system between the prescribing physician, the pharmacist and the patient to ensure that the patient is receiving the most effective form of treatment possible.

Smart Business spoke with Valler about the pharmacy benefit management program, how a drug formulary is designed and how investing in such programs is beneficial, not only to the patient but also to the patient's employer.

What is a pharmacy benefit management program?

This program combines the knowledge of skilled medical professionals to monitor and prevent any adverse effects of drug combinations for patients. The goal is to operate a detailed monitoring system to provide the best care possible to keep patients as healthy as possible. A drug formulary — an approved list of the most effective drugs and treatments possible — is also formed within this program. There are both positive outcomes for the patient and the business owner who purchases the health care with this program.

A team of pharmacists and physicians work to ensure that therapies are being prescribed based on sound scientific evidence and principles. All of these meth-



William Valler

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ods are put in place to make sure the patient receives optimal care.

How does pharmacy benefit management reduce medical costs?

To reduce costs, a preferred list of formularies is established. This list ensures that the appropriate drugs are available to patients. The drugs on this list are deemed the most effective and, often, the most affordable.

There will be cases where a patient requires a drug not on the list. This does not mean that the patient is necessarily denied coverage of this drug. Rather, the patient simply has to complete an authorization process to make sure the drug is, in fact, needed and will provide the best treatment possible. This decision is not made solely by an insurance processor. With the pharmacy benefit program, medically trained professionals and pharmacists are making these evaluations.

The operator of the pharmacy benefit management program will also work with drug manufacturers to negotiate

costs for prescriptions and is often able to offer drugs at a lower cost, which benefits both the employer and employee.

Why is it important for employers to invest time and money into such programs?

For employers, the overall cost savings is significant. If an employee is receiving the appropriate treatment, he or she is much more likely to recover or become healthier. This reduces future medical costs for employers. Appropriate treatment and medication may also increase an employee's quality of life and productivity. All of these are savings for an employer.

What is the drug formulary, and how does it work?

The drug formulary is a list of drugs selected by a team of medical professionals who identify the most appropriate for treatment of certain ailments. Many will likely be glad to know that the drug formulary is developed by a pharmacy and therapeutics committee.

Medications are first reviewed to make sure they are clinically sound. The committee must determine that the drug is effective and that the side effects don't outweigh the treatment. If a drug has the same effect for patients, then we look at the economic side of the drug. Which drug will be cheaper but still effective for the patient?

In order to complete this process, the committee does a thorough review of the clinical and medical literature and looks at the patient experience, the national guidelines for related diseases, the recommended treatments for such diseases and then the economic data. Physician recommendations are also reviewed. Finally, the committee determines which drug is most appropriate for the disease and it is added to the formulary. <<

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