The Growing Value of a Pharmacist in Community Oncology Practice

by Scott Ostriker, PharmD, BCOP

In an era of declining reimbursement and rising fiscal pressures, why would a community practice integrate a pharmacist into their staff? In recent years, several publications describe the benefits of a pharmacist in a community oncology practice.[1-3] One publication in particular has shown that adding a clinical oncology pharmacist to a community oncology clinic resulted in a cost savings of $210,000.[4] When evaluating the return on investment, it is important to consider that the value pharmacists can bring to an oncology practice goes far beyond their traditional roles and can result in cost savings, improved revenue, and risk reduction due to the pharmacist's impact on business operations, safety, and quality.

Inventory Management

In community practice, pharmaceuticals typically represent the single greatest expenditure of any balance sheet. Because of the sheer cost of these agents, oncology practices should look closely at drug turnover. Money sitting on the shelves is typically money wasted because of the costs incurred by carrying excess inventory. When a pharmacist manages drug inventory, these unnecessary costs can be minimized because of the pharmacist's intimate involvement with and knowledge of these products. Pharmacists in the practice setting can:

- Continually monitor drug use and adjust inventory levels accordingly
- Track prescribing trends, diagnosis trends, and new patient plans of care and try to anticipate what and how much of each drug an oncology practice will need on hand
- Improve profitability by keeping inventory low
- Minimize waste by researching and keeping extended stability data on the preparations compounded.

Taking into account the high cost of anti-cancer drugs, justifying pharmacist expense can be relatively easy. For example, preventing just one wasted dose of Herceptin® or Rituxan® alone can save an oncology practice thousands of dollars.

Contracting and Negotiations

Part of managing drug inventory is making sure that the acquisition cost of medications is as low as possible. Many oncology practices can now take advantage of group purchasing organizations (GPOs) that incorporate rebates based on volumes or goals that need to be met. Practices should monitor their GPO contracts quarterly to see if they are making their numbers for rebates. For example, such careful monitoring can determine whether it is worthwhile to purchase a little extra (1 or 2 vials) to make the contract, thereby saving a significant amount of money in acquisition costs.

Purchase timing is also important when a drug is scheduled to go generic. When a drug goes generic, its cost will typically drop significantly, resulting in additional saving opportunities. In this scenario, a pharmacist can help select the most cost-effective drug when there are multiple reasonable options available. A pharmacist can also take reimbursement and payer mix into consideration while closely monitoring average sales price (ASP) rates each quarter. To summarize, a staff pharmacist can use information related to purchase timing, payer analysis, and his or her knowledge of the clinical implication of each drug to help determine the best choice for the patient and practice.

Prospectively Identify Drugs That May be Denied or That May Need Precertification

Not only can a pharmacist's salary be justified by maximizing the investment in inventory, but his or her expertise in oncology and payer habits will prevent losses due to denied claims as well. One wasted drug or denied regimen can be costly for an oncology practice. With experience,

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pharmacists will be aware of what regimens represent a "medically accepted indication" as defined by Medicare and what private payers will typically accept as well.[5]

Having a pharmacist review new treatment regimens gives assurance that each regimen complies with payment standards. A pharmacist can identify those regimens that do not "comply" and prospectively seek payer approval rather than dealing with the denied claim on the back end. The cost to retrospectively deal with a denied claim is high when you take into account the man hours involved and the potential lack of reimbursement. This scenario is especially true after a patient has been treated for a month or more on an off-label regimen that is not reimbursed. A prospective review of new chemotherapy orders gives the practice the information necessary to prevent the losses associated with these claims. For cases where treatment is clinically appropriate and not likely to be reimbursed, a pharmacist can identify candidates for drug replacement or patient assistance programs, which will allow time for the appropriate paperwork to be filled out correctly.

Medicare and Erythropoesis Stimulating Agents (ESAs)

Not only have pressures been put on oncologists to make sure their treatment regimens are properly reimbursed, but the use of ESAs has complicated the situation with regards to ensuring proper payment.

Exactly how much money can an oncology practice lose by not following the correct parameters for dispensing Aranesp® or Procrit®? Just think about the cost of one patient receiving treatment weekly for a year. And when you add in multiple patients, the cost just goes up from there. Oncology practices should ensure that every physician is checking to see if the appropriate response is seen within eight weeks after treatment for chemotherapy-induced anemia or that an appropriate response is seen within the allotted time for myelodysplastic syndromes. A pharmacist on staff can develop algorithms based on these payment guidelines and ensure they are followed appropriately. This process will reduce a significant amount of risk for non-payment.

Internal Audits

In addition to establishing guidelines and treatment pathways, pharmacists also can bring value by ensuring that medications are coded and billed appropriately. A pharmacist can periodically audit a billing system—whether it is electronic or paper based—and correct any errors that may be occurring. As more drugs get approved, the coding for these drugs becomes more complicated. A pharmacist can facilitate the transition with the billing department when each drug comes to market and when it receives its official J-code at the beginning of each calendar year. It is very easy to miscode a drug or incorrectly bill for its administration. Pharmacists are familiar with the proper use, dosing, administration, and cost of these drugs, and they can determine if the reimbursement received is adequate. This scenario is true not only with regards to drug charges but with procedure codes for nursing services as well, as a pharmacist will be aware of how many drug units were administered and how long each administration should take.

Managing Protocols

Pharmacists can bring value in other ways besides cost reduction and revenue maximization. One specific area to which they can bring additional value is clinical research. Practices participating in clinical trials often experience issues with regards to drug storage and handling. From their training, pharmacists have the skills and experience to ensure that these drugs are handled appropriately, which will reduce the risk of clinical trial violations. Specifically, pharmacists can work with research nurses to make sure that medications are accounted for and stored appropriately, and they can ensure the proper compounding of investigational medications. Lack of appropriate compliance has resulted in many clinics being "shut down" by cooperative groups. Some oncology practices have been denied access to participate in industry sponsored trials as well. Having a pharmacist oversee the handling of these investigational agents will ensure that the practice is complying with the appropriate regulatory agencies and may prevent the "black mark" that can be put on any practice by these cooperative groups due to noncompliance. Pharmacists can also serve as a double check to ensure that appropriate eligibility criteria and laboratory parameters have been met for each dose administered.

Compounding Regulations

Not only can pharmacists ensure compliance with the regulations of clinical trials, but they also can address the increasing regulations being placed on facilities involved in the manufacturing of sterile products. For example, consider USP 797, a recent regulation that now applies to every facility involved in sterile product compounding. According to the bulletin published by the United States Pharmacopeia, the USP 797 standards governing compounding areas "are intended to apply to all persons who prepare compounded sterile preparations (CSPs) and all places where CSPs are prepared (e.g., hospitals and other healthcare institutions, patient treatment clinics, pharmacies, physicians' practice facilities, and other locations and facilities in which CSPs are prepared, stored, and transported)."[6]

Posted on the USP website is a question from a community practice physician who asks about his need to com-

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ply with USP 797 since he is a small practice with only two nurses who mix chemotherapy. The answer by USP is as follows:

> *"The USP Chapter <797> standards are not limited in their application to any specific profession or to any specific type(s) of sterile compounding site. USP Chapter <797> standard applies to sterile compounding without regard to the location or profession of the compounding personnel. This is because no patient should have to give up their right to an accurate, safe, sterile dose no matter where that dose is prepared or who prepares it."*[7]

In other words, these regulations apply to all persons involved in the compounding of sterile products regardless where they practice and their profession.

Even though these regulations have little "policing" in the community practice setting, it is important to recognize the impact that litigation may have on any medical practice whether it is hospital based or physician owned. With a pharmacist on staff who is familiar with these regulations, a facility has an "onsite consultant" who can interpret these increasingly strict regulations and help providers comply.

Safety Concerns

When discussing the pharmacist's value, consider that these professionals are uniquely trained in appropriate dosing, preparation, and delivery of medications. They can also monitor organ function to ensure that medications will be appropriately absorbed, activated, metabolized, and excreted. If proper laboratory data are not available to monitor these parameters, pharmacists can ensure that such data are collected and properly interpreted, which will decrease risk to any oncology practice.

With physicians continually multitasking and attempting to see more patients in less time, the risks of a missed laboratory result, a transcription error, or an error in order writing will naturally increase. A pharmacist can provide an independent verification of accurate order writing and final product preparation, which again will decrease risk for errors in any community practice. If these processes are well documented and adhered to, the practice will have increased confidence that the product being administered is not only appropriate, but is the same product and dose as the prescriber intended.

In addition to establishing appropriate systems and double checks, pharmacists on staff can improve the patient care experience through patient teaching sessions and/or the production of patient-specific education materials. A pharmacist on staff will be able to review medication profiles and check for drug interactions that may cause adverse events. Pharmacists can also serve as an onsite resource for patients when they would normally be searching out a drug store pharmacist to answer their oncology-specific questions. In addition, pharmacists can bring value by assisting patients with pain management, antiemetic options, and other supportive care measures. These activities will improve the patient care experience and save physician time as these questions would normally be waiting for a physician to answer at the end of the day.

How Can I *Not* Afford a Pharmacist?

The value a pharmacist brings to an oncology practice continues to grow with the increasing pressures faced in the community setting. This value is demonstrated by a pharmacist's ability to maximize practice revenue, improve patient safety, and allow for efficient utilization of physician time. The ever-changing landscape of oncology has produced an increased need to attend to details that may be easily overlooked. A pharmacist can pay attention to these details, whether they include proper laboratory monitoring of a patient or regulatory compliance of the facility. And yet, despite these benefits, many oncology practices are still asking themselves: "How can I afford a pharmacist?" With the need for efficiency and growing pressures on practices, a more appropriate question is—"How can I *not* afford a pharmacist?"

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