Assocation of Use of an Integrated Specialty Pharmacy With Total Medical Expenditures Among Members of an Accountable Care Organization

Apurv Soni
University of Massachusetts Medical School

Let us know how access to this document benefits you.
Follow this and additional works at: https://escholarship.umassmed.edu/oapubs

Part of the Health and Medical Administration Commons, Health Economics Commons, Health Policy Commons, Health Services Administration Commons, Health Services Research Commons, and the Pharmacy Administration, Policy and Regulation Commons

Repository Citation

Creative Commons License
This work is licensed under a Creative Commons Attribution 4.0 License.
This material is brought to you by eScholarship@UMassChan. It has been accepted for inclusion in Open Access Publications by UMMS Authors by an authorized administrator of eScholarship@UMassChan. For more information, please contact Lisa.Palmer@umassmed.edu.
Association of Use of an Integrated Specialty Pharmacy With Total Medical Expenditures Among Members of an Accountable Care Organization

Apurv Soni, BA; Brian S. Smith, PharmD; Thomas Scornavacca, DO; Bill McElnea, MPP; Alice Shakman, MBA; Eric Dickson, MD, MHCM; David D. McManus, MD, ScM

Introduction

Use of integrated specialty pharmacies within Accountable Care Organizations (ACOs) optimizes medication adherence, increases care coordination with physicians, and reduces medication-related adverse events.1-3 They may also decrease health care costs for patients because medication coordination and fulfillment could reduce adverse events and improve underlying conditions, which in turn decreases health care visits. We examined the association between the use of integrated specialty pharmacies and total medical expenditure (TME) among the members of the largest ACO in central Massachusetts.

Methods

Data for this retrospective matched cohort study were extracted from the UMass Memorial Medicare ACO (UMMACO) from January 2016 through December 2018. Patients of all ages receiving care from a specialty department were assigned to the intervention group if they were enrolled in the UMMACO integrated specialty pharmacy at the start of the study period and the control group if they were not. Their status did not change throughout the study period. To account for baseline differences between the groups, patients were matched on age, sex, and level of care based on the UMMACO risk stratification model for care management. Stratification was determined by a committee within UMMACO that accounts for complexity of patient care, including readmission, emergency department utilization, postacute care, and chronic disease management. Patients were matched without replacement. The outcome was the per-member per-month costs (PMPM) of TME, which were calculated for each month during the study period. We used multilevel generalized linear models to estimate the association of integrated specialty pharmacy use and PMPM, allowing us to account for repeated measurements among patients. Postestimation calculations were made for difference-in-difference analysis and statistical significance was assessed at 95% confidence levels (eAppendix in the Supplement). Results were considered significant at \( P < .05 \) in 2-tailed tests.

Analysis for this study was done in December 2019 and was performed using Stata software, version 15 (StataCorp). This study followed the Strengthening the Reporting of Observational Studies in Epidemiology (STROBE) reporting guideline. The study was reviewed by the University of Massachusetts Medical School institutional review board, and was exempted from informed consent because it used secondary data analyses of deidentified data.

Results

Patients enrolled in UMMACO who used the organization’s integrated specialty pharmacy were younger compared with those who did not (median [SD] age, 63 [12.8] years vs 70.6 [12.8] years; \( P = .01 \) (Table 1). Matching increased comparability between the 2 groups. After adjusting for comorbidities, PMPM were similar in 2016 but increased for patients who did not use the integrated specialty pharmacy while decreasing for those who did (Table 2). Costs decreased by $267 (95% CI, $1586 to $1052) for those who did use integrated specialty pharmacy while increasing by $1007 (95% CI, $270 to $1743) for patients who did not. The difference of difference for average net savings
of integrated specialty pharmacy users vs nonintegrated specialty pharmacy users was $1274; however, this difference was not statistically significant (95% CI, −$215 to $2764) for the sample in this study.

Discussion

Our findings suggest that integrated specialty pharmacy use by patients enrolled in UMMACO is associated with net savings of more than $1000 per month from 2016 to 2018 compared with matched counterparts within UMMACO who did not use an integrated specialty pharmacy. Although not statistically significant, the magnitude of health care savings is notable in the context of previous findings of savings of as little as $34 (95% CI, $15-$52) for Medicare ACO patients (in a 2016 study).

Table 1. Characteristics of Patients Enrolled in the UMass Memorial Medicare Accountable Care Organization Included in This Study, Based on Their Integrated Specialty Pharmacy Use

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Total patients, No. (%) (N = 9302)</th>
<th>All members with identified specialty care</th>
<th>Matched</th>
<th>P value</th>
<th>Unmatched</th>
<th>Integrated (n = 120)</th>
<th>Nonintegrated (n = 2875)</th>
<th>P value</th>
<th>Matched</th>
<th>Integrated (n = 120)</th>
<th>Nonintegrated (n = 182)</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age, mean (SD), y</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>71.2 (12.4)</td>
<td>70.6 (12.1)</td>
<td>&lt;.01</td>
<td>63.6 (12.8)</td>
<td>65.3 (14.0)</td>
<td>.29</td>
<td></td>
</tr>
<tr>
<td>Women</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4911 (52.8)</td>
<td>1636 (56.9)</td>
<td>.50</td>
<td>72 (59.8)</td>
<td>112 (61.3)</td>
<td>.79</td>
<td></td>
</tr>
<tr>
<td>Level of care&lt;sup&gt;a&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1, least complex</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1767 (19.0)</td>
<td>578 (20.1)</td>
<td>.98</td>
<td>2.0 (1.0)</td>
<td>2.1 (1.1)</td>
<td>.42</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2707 (29.1)</td>
<td>633 (22.0)</td>
<td>.45</td>
<td>27 (22.8)</td>
<td>40 (21.8)</td>
<td>.99</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1991 (21.4)</td>
<td>552 (19.2)</td>
<td>30 (25.0)</td>
<td>42 (23.3)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1488 (16.0)</td>
<td>546 (19.0)</td>
<td>18 (15.2)</td>
<td>29 (16.0)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5, most complex</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1349 (14.5)</td>
<td>566 (19.7)</td>
<td>26 (21.7)</td>
<td>39 (21.7)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target conditions, mean (SD), No.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.9 (1.0)</td>
<td>2.0 (1.1)</td>
<td>.98</td>
<td>2.0 (1.0)</td>
<td>2.1 (1.1)</td>
<td>.42</td>
<td></td>
</tr>
<tr>
<td>Mental comorbidities, mean (SD), No.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.0 (0.5)</td>
<td>1.9 (0.5)</td>
<td>.43</td>
<td>2.0 (0.3)</td>
<td>2.0 (0.4)</td>
<td>.99</td>
<td></td>
</tr>
<tr>
<td>PMPM, mean (SD), $&lt;sup&gt;b&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1073 (1561)</td>
<td>1206 (1620)</td>
<td>.03</td>
<td>1518 (1972)</td>
<td>1466 (1974)</td>
<td>.76</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1716 (3133)</td>
<td>1935 (3143)</td>
<td>.78</td>
<td>2017 (3492)</td>
<td>2171 (3736)</td>
<td>.72</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1534 (3192)</td>
<td>2109 (3862)</td>
<td>.71</td>
<td>1978 (2754)</td>
<td>2665 (3404)</td>
<td>.07</td>
<td></td>
</tr>
</tbody>
</table>

Abbreviation: PMPM, per-member per-month costs.

<sup>a</sup> Level of care was defined by the care management model of the accountable care organization and included patients’ demographic information and comorbidities.

<sup>b</sup> PMPM estimates are rounded to the nearest US dollar.

Table 2. Mean PMPM for Users of Integrated vs Nonintegrated Specialty Pharmacy Among Patients Enrolled in the UMass Memorial Medicare Accountable Care Organization<sup>a</sup>

<table>
<thead>
<tr>
<th>Year(s)</th>
<th>Integrated specialty pharmacy use, PMPM point estimate (95% CI), $</th>
<th>Cost difference point estimate (95% CI), $</th>
<th>Difference of cost estimate difference (95% CI), $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>2052 (1113 to 2991)</td>
<td>−69 (−1563 to 1425)</td>
<td>NA</td>
</tr>
<tr>
<td>2017</td>
<td>2673 (1966 to 3379)</td>
<td>541 (−854 to 1936)</td>
<td>NA</td>
</tr>
<tr>
<td>2018</td>
<td>3059 (2347 to 3771)</td>
<td>1205 (−156 to 2567)</td>
<td>NA</td>
</tr>
<tr>
<td>Year-over-year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017 vs 2016</td>
<td>621 (−88 to 1329)</td>
<td>11 (−1316 to 1338)</td>
<td>NA</td>
</tr>
<tr>
<td>2018 vs 2017</td>
<td>386 (−181 to 953)</td>
<td>−278 (−1550 to 995)</td>
<td>NA</td>
</tr>
<tr>
<td>2018 vs 2016</td>
<td>1007 (270 to 1743)</td>
<td>−267 (−1586 to 1052)</td>
<td>NA</td>
</tr>
</tbody>
</table>

Abbreviations: NA, not applicable; PMPM, per-member per-month costs.

<sup>a</sup> Results based on multivariable multilevel generalized models after users and nonusers of integrated specialty pharmacy were adjusted for age, sex, and level of care, specialty of department providing care, and comorbidities.
of 15,592,600 participants) and savings of $114 (95% CI, $50-$178) among clinically vulnerable populations participating in a Medicare ACO (in a 2015 study of 8,673,823 participants).

The results from our study should be interpreted in the context of the limited number of patients who used the integrated specialty pharmacy in our sample and the focus on patients receiving specialty care. While patients’ ability to opt into the integrated specialty pharmacy was not conditioned on a health insurance plan, unobserved patient characteristics and preferences may inform their choice. We made attempts to reduce bias from confounding by matching on key variables and adjusting for comorbidities and type of specialty department providing care. However, additional analyses and future studies (ie, a randomized cluster trial) are needed to identify the savings attributable directly to integrated specialty pharmacy use. Matching on key covariates improved comparability but limited our sample size to patients who could be matched on those variables. Nevertheless, our findings underscore the potential of specialty pharmacies to reduce TME. In the current value-based care landscape, the ability to use data to guide strategic interventions and provide analysis is essential for any ACO or value-based program. Finding scalable interventions that provide the full constellation of success for patients, health care professionals, and ACOs is exceptionally difficult. The integration of specialty pharmacies into care management models of care delivery has the promise to fulfill this goal.

ARTICLE INFORMATION
Accepted for Publication: July 19, 2020.

Open Access: This is an open access article distributed under the terms of the CC-BY License. © 2020 Soni A et al. JAMA Network Open.

Corresponding Author: Apurv Soni, Department of Population and Quantitative Health Sciences, University of Massachusetts Medical School, 55 Lake Ave N, Worcester, MA 01655 (Apurv.soni@umassmed.edu).

Author Affiliations: Department of Population and Quantitative Health Sciences, University of Massachusetts Medical School, Worcester (Soni, McManus); Shields Health Solutions, Stoughton, Massachusetts (Smith, McElnea); Office of Clinical Integration, UMass Memorial Health Care, Worcester, Massachusetts (Scornavacca); Clinical Services, UMass Memorial Medical Center, Worcester, Massachusetts (Shakman); Department of Emergency Medicine, University of Massachusetts Medical School, Worcester (Dickson); Department of Cardiovascular Medicine, University of Massachusetts Medical School, Worcester (McManus).

Author Contributions: Mr Soni and Dr McManus had full access to all of the data in the study and take responsibility for the integrity of the data and the accuracy of the data analysis.

Concept and design: Soni, Smith, Scornavacca, Dickson, McManus.

Acquisition, analysis, or interpretation of data: Soni, Smith, Scornavacca, McElnea, Shakman.

Drafting of the manuscript: Soni, Scornavacca.

Critical revision of the manuscript for important intellectual content: Soni, Smith, McElnea, Shakman, Dickson, McManus.

Statistical analysis: Soni.

Obtained funding: McManus.

Administrative, technical, or material support: Soni, Smith, McElnea, Shakman, McManus.

Supervision: Smith, Scornavacca, Dickson.

Conflict of Interest Disclosures: Dr McManus reported receiving research support from Bristol Myers Squibb, Care Evolution, Samsung, Apple, Pfizer, Biotronik, Boehringer Ingelheim, Philips Research Institute, FLEXcon, and Fitbit; consulting for Bristol Myers Squibb, Pfizer, Philips, Samsung Electronics, Rose Consulting, Boston Biomedical Associates, and FLEXcon; and being a member of the operations committee and steering committee for the GUARD-AF Study sponsored by Bristol Meyers Squibb and Pfizer. No other disclosures were reported.

Funding/Support: Mr Soni received grant T32GM107000 from the National Institute of General Medical Science, grant T1TR001454 from the National Center for Advancing Translational Sciences, and grant 1F30HD091975-03 from the Eunice Kennedy Shriver National Institute of Child Health and Human Development. Dr McManus’ time
was supported by grants R01HL126911, R01HL137734, R01HL137794, R01HL135219, R01HL136660, and U54HL143541 from the National Heart, Lung and Blood Institute.

Role of the Funder/Sponsor: The funders had no role in the design and conduct of the study; collection, management, analysis, and interpretation of the data; preparation, review, or approval of the manuscript; and decision to submit the manuscript for publication.

Disclaimer: The content is solely the responsibility of the authors and does not necessarily represent the official views of the National Institutes of Health.

REFERENCES

SUPPLEMENT.
eAppendix. Detailed Description of Sample and Variable Definition