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UCSF Health

Establishing a Medication Value Analysis Committee With Site-of-Care Considerations

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Learning Objectives

- Identify the essential components of a comprehensive medication review for inpatient site-of-care appropriateness
- Examine ways that your organization might adopt a similar strategy to ensure value-based care

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Background

High-cost/specialty medication expenditures are growing rapidly. Oncology medications: ~3.25% projected inflation, accounts for 24.3% of national drug spend

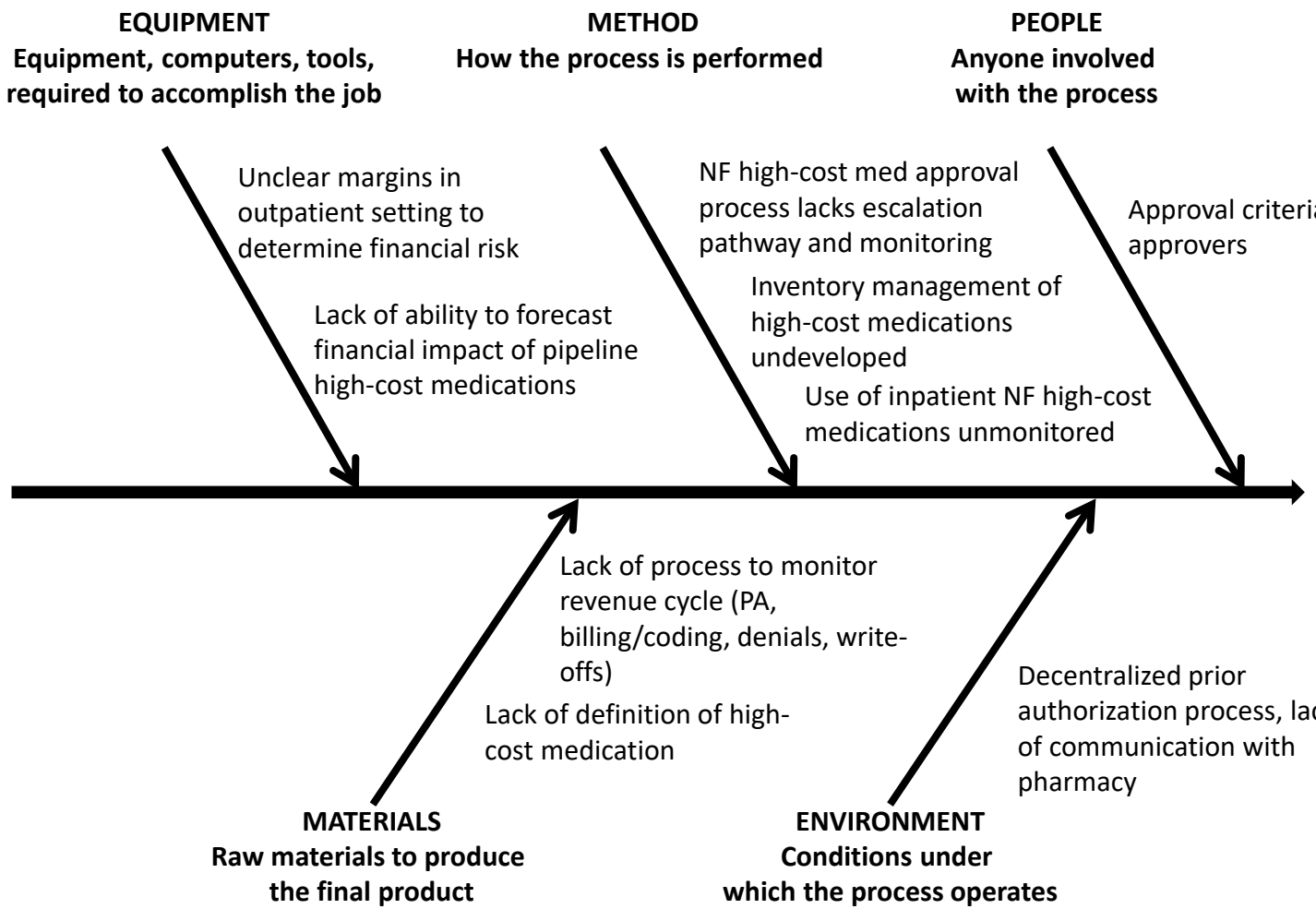
At UCSF Health, 24% of our overall drug expenditures were due to drugs >$10K per unit cost in FY22. New drug therapies accounted for 4% of total expenditures.

Decentralized authorization model in outpatient settings is challenging, inconsistent, and increases financial risk

Inpatient use of outpatient medications an increasing problem evidenced by increased short-stay admissions

Finite resources necessitates value-based assessment of high-cost medications to equitably serve our patients

Fishbone Worksheet



Problem Statement

UCSF lacks an established value-based process to manage high-cost medications resulting in financial risk and inability to effectively respond to market changes

NF: non-formulary

Medication Value Analysis Committee (MVAC) Charge

- **Advisory group** for considerations in emerging therapies, changes in payor policies, strategic planning involving high-cost medications
- **Value-based evaluation of high-cost medications for P&T consideration**
  - Clinical outcomes, pharmacoeconomic considerations
  - Contracting, payor coverage, prior authorization, medical necessity, site of care needs
  - Billing, coding, and patient assistance needs
  - EHR build considerations
- **Revenue cycle monitoring following P&T approval**
  - Ensuring revenue integrity
  - Monitoring entire revenue cycle (authorization, charge generation, claim generation, reimbursement, payment denials/write-offs)
- **Review and approval of case-by-case utilization**
  - Escalation pathway for indications outside of approved P&T guidelines or FDA approval status
  - Approval of single doses of targeted therapies

Data Driven Approach

1. Compare % outpatient/inpatient charges with 340B/GPO/WAC
2. Find negative or low margin medications
3. Look for medications with opportunity to shift to outpatient use

Outpatient Only

	Invoice Data			Reimbursement Data			
MEDICATION_NM_WID	340B%	WAC%	GPO%	AVG PAYMENT	AVG UNIT PAYMENT	UNIT MARGIN	TOTAL MARGIN

Findings From Data-Driven Approach

Procurement/supply chain	Revenue	Site-of-care considerations	Formulary Considerations
• Contract optimization • Inventory management: outside scope	• Missing charges & operational improvements to correct • Denials & write-offs	• Proportion of inpatient vs outpatient use	• Tracking spend identified indication creep; P&T approved for one indication and over time increased use for other indications

Formulary Status

Formulary	Formulary Restricted	Non-Formulary	Patients Own Medication
Can be used for indications listed in CMS compendia [Lexicomp, Micromedex, NCCN, AFFS]	Restricted to service, indication or location	Not routinely stocked /not reviewed by P&T Committee	Not purchased or stocked
	Medications used outside of restriction criteria are considered non-formulary Restricted to outpatient use only submit OMUI form	Use Formulary Addition Request Form to request consideration by the P&T Committee No other formulary alternative exists >15K per dose or >$100K per therapy or >$500K budget impact	POM waiver required, pharmacist positive identification of medication (iVent required)

POM: Patients Own Medication

Targeted Medications

- Medications not approved or not yet reviewed or approved by P&T
- Definition (any of):
  - >$15K per dose [e.g., lisocabtagene maraleucel]
  - >$100K per therapy [e.g., durvalumab]
  - >$500K budget impact [e.g., ramucirumab]
- Medications used outside of P&T-approved indications
- Medications with site of care considerations
  - Developed the Outpatient Medication Used Inpatient [OMUI] form that will be required within the EHR
  - The OMUI asks targeted questions about the need for the desired therapy

OMUI Form

Target medication ordered for inpatient administration OMUI form must be completed

Form is standardized and built on the REDCap® database platform

Collects critical background information on patient demographics, clinical need, urgency, onset of medication action, other medications tried

Informs the team on the specifics of each patient case

Supports an evidence-based approach

Provides a comprehensive discussion on site-of-care appropriateness

Allows for tracking of decisions over time

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Outpatient Medication Used Inpatient

This form will be used for any outpatient restricted medication that is requested for inpatient use.

Please suggest edits or further enhancements.

UCSF Health is committed to maximizing medication value while improving clinical outcomes, supporting internal operations, maximizing the patient experience, and ensuring safe medication use. In doing so, the inpatient use of medications will be reviewed for 'site of care' considerations based on the patient's immediate clinical care needs. To support value-based care, please complete this form with as much information as possible. Once submitted, the request will be reviewed and you will be notified about the next steps.

Outpatient Medication Used Inpatient

How Many Total Doses Needed During This Admission
* must provide value
Estimate the total number of doses anticipated for this admission

History of Present Illness Related to This Medication Request
* must provide value
Include as much detail as possible

Reason for Inpatient Need
* must provide value
Provide rationale as to why the medication is required during this admission. Outpatient medications should be administered in the outpatient setting whenever possible.

Other Therapies Tried
Provide information on any other therapies previously tried and treatment response

Published Evidence That Supports This Request
* must provide value
Include the best evidence that supports use in this setting

What Immediate Clinical Benefit is Expected
* must provide value
Provide the specific immediate benefit that is expected

What is the medication's anticipated onset of action?
* must provide value
Include the medication's half life or time point where efficacy was first observed in clinical trials

Special Conditions for Medication Administration
Provide any unique medication safety considerations (REMS, Boxed Warnings, enhanced monitoring), etc.

Has the patient used this medication previously?
* must provide value

- **The patient routinely receives this therapy in the outpatient setting and the next scheduled dose is due**
- **The patient has received this therapy during a previous inpatient admission**
- **The patient has not ever received this therapy but has received other similar therapies in the outpatient setting**
- **The patient has not ever received this therapy, this is a new start**
- **Other, please explain.**

Select the most applicable option from the choices listed

Considerations

- Medication related to the patient's admission
- Medication onset of action
- Medication procurement
- Anticipated length of stay [avoid admit to infuse or infuse and discharge]
- Clinical evidence
- Alternative therapeutic options
- FDA-approved/non-FDA-approved indication
- Risk in delaying treatment to the outpatient setting
- Authorization for continued use
- Benefits review; costs to patient for continued use

Guiding Principles

Adjudication of individual requests will be fair and consistent

Recommendations must be evidence-based

Decisions shall be made in a timely fashion based on need (<24 hrs, 24-48 hrs, 2-5 days)

Review and adjudication will consider the patient's acute clinical needs and ability to access therapy following discharge

MVAC Process

- MVAC participants appointed and oriented to expectations
- Selected two therapeutic agents for the pilot/initial rollout effective July 18th, 2022

Referral to MVAC

- Medication request routes to Pharmacy Supervisor
- Pharmacy Supervisor deems request to be outside of approved formulary criteria and requests completion of OMUI form
- Pharmacy Supervisor sends the OMUI Form to the Formulary and Drug Use Manager(s)

Summary information to MVAC

- Formulary and Drug Use Manager review the form within 12 hours (sooner if deemed medically urgent)
- Formulary and Drug Use Manager provide a brief summary and recommendation to the MVAC

MVAC Review

- MVAC Members vote within 12 hours – approve/deny request
- If approved, Formulary and Drug Use Manager will communicate this decision to the requesting provider and pharmacy team
- If denied, Chair of MVAC, (or designee) will contact provider to share the outcome

Lessons Learned

- Important that everyone understands the formulary process 101
- Revenue cycle 101
- Creating contacts between groups/breaking down silos
- Medication Safety requirements, REMS challenges
- Supply chain challenges (one specialty pharmacy)
- Multidisciplinary committee members & provider engagement

Key Takeaways

- Responds to new healthcare challenges as more complex, high-risk and high-cost therapies come to market
- Supports inpatient operations when requests for these therapies are made
- Minimizes anecdote and individual conflicts; relies on collaboration & evidence-based medicine
- Ensures equity, consistency, and favorable outcomes for all patients when resources are limited
- Relies on peer-to-peer communication
- Includes quarterly reporting to P&T on all requests and subsequent outcomes
- Serves as an educational tool on the operational and financial impacts of medication ordering, billing and reimbursement
- Iterative process as we appreciate new challenges along the way

Questions?

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