An Introduction to Pharmacy Star Ratings and Tips to Improve Them

A White Paper From PBA Health and TriNet

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Introduction

The way that health care is reimbursed is shifting. Where payment for service used to be the norm, the health care system is now trending towards a payment-for-performance model that ties payment and incentives to improvements in patient care.

CMS developed the Star Ratings system to help measure the quality of patient care that different health plans were providing. The best performing plans receive a higher number of stars, and Medicare beneficiaries are able to use those ratings to compare plans.

Because the majority of a health plan's Star Rating is based on pharmacies' performance managing medication adherence and safety among high-risk patients, health plans are beginning to use the ratings to determine which pharmacies to include in their networks.

Until recently, health plans were able to view a pharmacy's Star Ratings, but pharmacies were not able to access this information. Now, through EQuIPP, pharmacies are able to see their Star Ratings and take action to improve them.

In this white paper, you'll find answers to questions you may have about Star Ratings, specific ways to improve your pharmacy's ratings and resources to help you implement improvement strategies.

FAQs

What are Star Ratings?

The Centers for Medicare and Medicaid Services (CMS) implemented the Five Star Quality Rating System to help educate consumers on the quality of health plans and to make quality data more transparent.

Health plans are rated on multiple measures, with five measures specifically related to medication management:

1. Appropriate use of high-risk medication for elderly patients (65+)
2. Treatment of patients with both diabetes and hypertension
3. Medication adherence for diabetes patients (Oral diabetic medications)
4. Medication adherence for patients with hypertension (RAS antagonists)
5. Medication adherence for patients using cholesterol medications (Statins)

These five measures account for half of a plan's total score from CMS.

Why are Star Ratings important?

The traditional pay-for-service model of reimbursement for health care providers has changed. The new model that is beginning to come into use is called pay for performance (P4P), and it ties payment to quality of patient care scores. It's how physicians, hospitals and other health organizations are already being reimbursed, and it will play an increasingly important role in pharmacies' inclusion in Medicare Part D and other drug plans going forward.

Star Ratings have a big impact on health plans. Higher-rated health plans are more attractive to prospective enrollees; the plans qualify for bonus payments from CMS; they can be marketed year-round to consumers; and they can accept new members year-round, not just during open enrollment.

Because pharmacies can affect half of a plan's total score, health plans are beginning to exclude pharmacies with lower ratings from their network. This is why it's important for pharmacies to take steps to improve their Star Ratings.

What is EQuIPP?

EQuIPP is a platform that makes Star Ratings performance data available to pharmacies. It provides unbiased, benchmarked information to help pharmacies shape improvement strategies.

Essentially, it provides pharmacies with the exact same information and scores that health plans and PBMs are already looking at. With access to this information, pharmacies will be able to take action to improve their ratings.

What Part D plan measures can pharmacies affect?

These are the areas where pharmacies can have an impact on Star Ratings.

Managing chronic conditions through medication adherence

Adherence is measured using the Proportion of Days Covered (PDC) methodology. This is determined by calculating the percentage of days the patient has a certain medication or a medication in the same therapeutic class over a given time period. The following three therapeutic categories are considered for determining Star Ratings, and are calculated using PDC within the EQuIPP platform:

1. **Oral diabetes medications** (including biguanides, sulfonylureas, DPP-IV inhibitors, TZDs, incretin mimetics and meglitinides)
2. **Hypertension medications and RAS antagonists** (including ACE inhibitors, ARBs and direct renin inhibitors)
3. **Cholesterol medications** (statins)

For the PDC measures, the pharmacy that filled the most prescription claims within the target therapeutic category for a specific patient within the calendar range will be assigned responsibility for the patient. All prescription drug claims, regardless of the dispensing pharmacy, will be counted towards the patient's PDC threshold.

Medication safety

The following two medication safety measures are considered for determining Star Ratings:

1. **Use of high-risk medications in the elderly**
   This measure calculates the percentage of patients 65 and older who received two or more prescription fills for a high-risk medication (HRM) during the measurement period. (A complete list of the medications included in this measure is available on the EQuIPP website at *www.equipp.org*. If the pharmacy dispenses the second prescription for a HRM during the calendar range, the pharmacy is assigned responsibility for that patient.
2. **Appropriate treatment of hypertension in patients with diabetes**
   This measure calculates the percentage of patients who were dispensed a medication for diabetes (including insulin) and who are on a hypertension medication during the calendar range. The measure counts patients who are receiving an ACE inhibitor, ARB, or direct renin inhibitor medication – the appropriate antihypertensive medication for a diabetic patient. The pharmacy that filled the most prescription claims within the target therapeutic categories for a specific patient within the calendar range will be assigned responsibility for the patient. All prescription drug claims for target medications, regardless of the dispensing pharmacy, will be counted towards the rate.

How are the performance measures calculated?

The performance measures hosted within the EQuIPP platform are calculated using prescription drug claims data. Each measure has its own set of specifications that are used to compile the performance data consistently across data providers. Comprehensive NDC-level drug lists are maintained for each performance measure by the Pharmacy Quality Alliance and are updated at least semi-annually. All performance measures hosted by EQuIPP use a six-month rolling measurement period.

How are the goals determined for the measures?

Users can select a goal set from the drop down menu in the upper left-hand corner of the EQuIPP dashboard. Among the goal sets are the 3-, 4- and 5-star Medicare Part D thresholds from the Star Ratings program. These thresholds are updated as CMS updates its information. A default goal set is also available, which is typically based off of the Medicare Star Ratings 5-star threshold. For measures not in the Medicare Star Ratings program, EQuIPP populates goals based on past performance.

What are some of the concerns and financial implications for independent pharmacies?

• *Impact of increasing MTM.* MTM will play a growing role in day-to-day operations. This can be a challenge for pharmacies in terms of time and budget. Reimbursements average around $60 for 30 to 60 minute sessions, less than the average hourly salary of the pharmacist conducting the sessions. This doesn't factor in other operational costs or the effect on pharmacy workflow. However, it's important to remember that consistently offering MTM services is vital to continued inclusion in health plans' preferred networks. Adapting operations to efficiently provide MTM services should be a goal for every independent pharmacy.

• *Competition with mail order.* Three of the five assessment criteria for Star Ratings deal with adherence measures based solely on the medication possession ratio gathered from pharmacy claims data. Historically, mail order pharmacies were able to automatically refill and mail out medications for patients, even when the patient didn't need or want the medication, giving

them a higher adherence ratio. CMS has changed the regulations to ensure that a patient must authorize the mailing of a prescription and that prescriptions are not automatically renewed or filled without the patient's approval. Pharmacies that develop or expand on existing adherence programs are best positioned to compete with mail order.

• *Emergence of pay for performance.* Health plans are rewarding top-performing physicians through pay-for-performance models. A few health plans are already venturing into pay for performance for pharmacies, such as HealthPartners, HealthFirst of NYC and Inland Empire Health Plan of southern California. Under IEHP's pay-for-performance program, pharmacies can earn a bonus payment every six months based how they perform on Medicare Part D Star Ratings measures.

How will a plan's Star Rating affect an individual pharmacy?

CMS does not issue Star Ratings for pharmacies, only for health plans. However, the plans can assess how their network pharmacies meet medication management measures solely by reviewing claims. This allows them to issue their own ratings to pharmacies and to evaluate which ones are better at meeting CMS-defined quality measures.

To increase their own Star Rating, health plans can rework their preferred networks to include only pharmacies with high Star Ratings, and send MTM cases only to pharmacies that show good patient outcomes. The better a pharmacy's Star Ratings, the more patients and revenue it is likely to get.

How do I fix my Star Ratings?

The first step to improving Star Ratings is to know and manage your pharmacy's performance numbers through EQuIPP. Understanding where improvement is needed and how you rank compared to your peers gives you a clear outline for an improvement strategy. Meeting and exceeding the expectations of health plans and PBMs is essential to ensuring ongoing network participation and steady access to patients. The next section will provide detailed ways to improve your pharmacy's Star Ratings.

Improving Your Pharmacy's Star Ratings

1. **Counsel your patients.** Helping patients understand their disease and how their medication works to improve their condition is critical to improving adherence. To overcome the barriers that contribute to poor adherence, tailored solutions are often needed. This is also a very proactive approach to high quality, patient-centered care.

Talk with patients to determine what factors are keeping them from taking their medications as prescribed. You can improve adherence by changing the patient's perception of cost, concerns and benefits. Address why the medication is important and the risks of taking it improperly. Offer solutions when possible, such as lower cost equivalents or a simplified drug regimen. For a list of barriers to adherence and strategies to overcome those barriers, click here.

2. **Get a clear picture with electronic health records.** Secure, reliable information from electronic health records, e-prescribing, and clinical decision support systems helps ensure that medication data and recommendations are shared among key players, including patients, caregivers, prescribing physicians and pharmacists. These systems can also include medication reminder options, such as mobile apps.

Telemanager, a PBA Health endorsed vendor, has an interactive application for mobile phones called iRefill. Customers can place prescription orders and get real-time updates on prescription status. The iRefill mobile app is a free download for your customers and is available for Apple, Android and Blackberry mobile devices.

Further information is available on the TeleManager website at *www.telemanager.com*.

3. **Complete MTM cases.** MTM is perhaps the most direct way of influencing Star Ratings because it addresses the two primary areas that pharmacists are scored on: medication adherence and

safety. A related area where pharmacies play a critical role—and which is expected to count towards a plan's Star Rating in the next few years—is comprehensive medication review (CMR) completion rates.

TriNet is contracted with Mirixa and Outcomes for MTM, and each TriNet pharmacy has an assigned User ID and password. Program service description guides are available in the TriNet section of the PBA Health website and on the Mirixa and Outcomes websites: *www.mirixa.com* and *www.getoutcomes.com*.

4. Use motivational interviewing.

Motivational interviewing (MI) has been proven to help patients with chronic conditions, like diabetes, cardiovascular conditions and asthma, make positive behavioral changes to support better health. It is a collaborative approach that works to draw out the patient's own ideas and reasons to change.

The primary principles of MI include expressing empathy and avoiding arguing, developing discrepancy, rolling with resistance, and supporting self-efficacy (a patient's belief he or she can successfully make a change). Motivational interviewing programs are becoming more popular, and are a key trend within health care. In a recent Health Intelligence Network survey of 162 health care organizations, 56 percent indicated that they used motivational interviewing in their medication adherence programs.

The ability of providers to help their patients adhere to their treatment plan can be strengthened through the use of skills related to motivational interviewing. These techniques enhance listening skills and provide tools to help build consensus with the patient regarding treatment plans and medication schedules, which ultimately supports adherence.

5. Revamp your store loyalty card program to include adherence rewards.

Many pharmacies have a store loyalty or discount card program. Including medication adherence as a way to

earn incentives or credit is advantageous not only for the pharmacy, but for the patient as well. Realigning incentives away from rewarding volume and toward rewarding positive outcomes would encourage better adherence.

For more information on creating a discount or loyalty card program, visit *www.repeatrewards.com*.

6. Utilize 90-day prescription fills.

Ninety-day prescriptions are cost-saving to the customer and prevent patients from travelling monthly to the pharmacy for their prescriptions. Patients are more likely to take their medications consistently when they aren't required to make as many trips. This is especially important for patients prescribed maintenance medications.

7. Watch for drug-drug interactions.

EQuIPP tracks drug-drug interactions. Taking action on these can help improve the patient safety Star Ratings. EQuIPP's platform identifies patients who are concurrently receiving two drugs that could interact and result in a potentially severe adverse event, when there are safer alternative therapies available. Potential drug-drug interactions are identified as concurrent prescription fills (i.e. overlapping days supply) of target and precipitant medications. A complete list of the target and precipitant medications included in this measure is available on the EQuIPP website at *www.equipp.org*.

The pharmacy that fills a prescription for a precipitant medication for a patient who has an active prescription for a target medication is assigned responsibility for the patient. If a patient has prescriptions for target medication(s), but no precipitant medication (i.e. a DDI opportunity, but no DDI) the pharmacy filling the most prescription claims for target medications will be assigned responsibility for the patient.

Resources

Improving your Star Ratings is less daunting than it may seem at first. And there are many resources out there to help. Here are a few that are worth looking into.

Useful Websites

Adult Meducation
www.adultmeducation.com
You'll find: Assessment tools for older patients that can be used in the pharmacy or at home. Tools such as the Medication Knowledge Assessment, which measures a person's ability to read and comprehend information necessary for appropriate medication use, can be useful in improving adherence.

Institute for Safe Medication Practices (ISMP)
www.ismp.org
You'll find: Impartial, timely and accurate medication safety information. There are also resources and educational information for patients. Subscribe to ISMP's newsletter for the latest updates.

MedActionPlan
www.medactionplan.com
You'll find: Free, easy-to-use programs that allow pharmacists to create and print personalized medication lists for patients. Lists can be printed in English or Spanish.

MedHere Today
www.medheretoday.com
You'll find: A program for adherence improvement developed by pharmacists. MedHere's Star Rating Solution Center is a resource hub for Star Ratings measures, and staff consultants provide a road map for driving Star Rating performance.

MTM Central
www.pharmacist.com/mtm
You'll find: Information and resources on MTM from the American Pharmacists Association. The site includes a guide to implementing MTM in your pharmacy and an MTM resource library.

MyMedSchedule

www.mymedschedule.com
You'll find: A highly-rated, free program that allows patients to create and print easy-to-read medication schedules. Patients can also receive reminders to take medications by text or email, set refill reminders and more.

National Consumers League

www.scriptyourfuture.org
You'll find: Information and resources to help people with chronic conditions take their medication as directed. This site has numerous evidence-based tools to help patients improve medication adherence.

PrescribeWellness

www.prescribewellness.com
You'll find: Solutions designed to improve Star Ratings, medication adherence, chronic disease management, transitional care intervention, prescription synchronization, behavioral change and more.

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