Medication Adherence 101

CPAT Seminar
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VP Legal & Government Affairs
1. About CAHC

2. What is “medication adherence”?

3. Why does non-adherence happen?

4. Why do we care?

5. What can be done?

6. Is there an opportunity for progress?
• Broad-based alliance with a singular focus: bringing down health costs for all Americans

• We believe:
  ✓ The U.S. health system is ripe for disruptive changes
  ✓ Affordability means cutting costs, not shifting them
  ✓ A more productive health system will raise living standards for all Americans

• We conduct research and educational activities, policy development and legislative and regulatory advocacy

• CAHC supports specific, solutions oriented campaigns to reduce health cost growth, including medication adherence
Medication Adherence: What is it?
What is Medication Adherence?

1. Not having a prescription filled
2. Taking an incorrect dose
3. Taking medication at incorrect times
4. Forgetting to take a dose
5. Stopping therapy before the recommended time
The Leaky Bucket – *What happens to every 100 new prescriptions*

- 80-85% of prescriptions are not refilled as prescribed
- 70%-75% of prescriptions are not taken properly
- 34%-52% of prescriptions are not picked up from a pharmacy
- 30%-50% of prescriptions are not relayed to a pharmacy

*NACDS Representation of IMS Health data*
Why does medication non-adherence happen?
• Unconvinced of therapy necessity
  • Never needed it; No longer need it; Competing health priorities
• Unconvinced of effectiveness
• Difficulty with administration
  • Routine
    • Number of medications; Duration of treatment; Regimen complexity
  • Route
• Out of pocket costs
  • Of individual medication; Of all their medications
A survey of 10,000 patients conducted by Harris Interactive and the Boston Consulting Group in 2002.
It’s not a case of “blame the patient”. The healthcare system must enable and support medication adherence. Two main system barriers are:

- Misaligned, inadequate, or non-existent incentives between payment systems.
- Fragmented health care delivery system.
Why do we care?
Increased Hospital Admissions

Non-adherence accounts for 33 to 69% medication-related hospital admissions, costing approx. $100 billion a year.

Increased Hospitalization

Relationship Between Adherence and Hospitalization in Patients with Diabetes

![Bar chart showing the relationship between adherence rate and hospitalization rate.]

Adherence Rate

- <40%: 15%
- 40-59%: 12%
- 60-79%: 10%
- 80-99%: 5%
- 100%: 4%

Hospitalization Rate

At least 125,000 Americans die annually due to poor medication adherence.

An estimated 20 – 25% of employers healthcare expenses are a direct consequence of non-adherence.

The overall cost of poor medication adherence is as much as $290 billion per year.

### State: Cost of Non-Adherence

<table>
<thead>
<tr>
<th>State</th>
<th>Adult Population</th>
<th>Per Adult Cost of Nonadherence, $</th>
<th>Total Cost of Nonadherence, $</th>
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<td><strong>452.61</strong></td>
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Poor Medication Adherence

Increases the likelihood of preventable disease progression.

Unnecessarily contributes to increased health costs and less affordable coverage.

Reduces the ability to effectively manage and control chronic diseases.

Increased hospitalizations, doctor and emergency room visits and other problems.

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What can be done?
To be effective, an adherence program must be multifaceted and combine:

- Education/counseling
- Regimen simplification
- Monitoring and follow-up
- Motivation and support (reminders)
- Incentives
Programs aimed at improving adherence should:

- Be delivered by a trusted source
  - Physician, Nurse, Pharmacists, other care giver?
- Be personalized to the patient’s condition and situation
- Reinforce medical need and expected outcomes
- Reinforce/reward initiation and maintenance
Prescriptions for a Healthy America

“A Partnership for Advancing Medication Adherence”
CAHC is running **Prescriptions for a Healthy America: Partnership for Advancing Medication Adherence** to create and promote medication adherence through legislation and regulatory initiatives.

- **Mission**: Promote affordability by improving health outcomes and reducing overall health costs through Medication Adherence.

  - **Better health outcomes** from safe, clinically appropriate, and effective drug regimens and patient adherence to those regimens.

  - **Cost Savings** by creating improved individual and population health management while directing care towards avoidance of serious illness and hospitalizations.
To formulate and promote actionable policy solutions, CAHC and the Partnership are working to:

- Build a diverse coalition;
- Conduct a robust education campaign;
- Develop policy solutions; and
- Advocate for solutions.
A Diverse Coalition?
Treating all patients with high blood pressure to guideline could prevent up to 89,000 deaths annually.\(^1\)

Increased adherence to hypertension and cholesterol medicines would reduce health care spending by $4 to $5 for every new dollar spent on medicines.\(^2\)

A 10% increase in adherence to asthma medications was associated with a nearly 5% decrease in total annual medical spending.\(^3\)

CVS Caremark Corp. found that patients who take medications as doctors direct may save as much as $7,800 per patient annually.\(^4\)

Lower health costs will lead to more affordable coverage.

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• Efforts to improve care coordination should recognize the important role that medications play in treating and managing illnesses and the need for care teams to include a broad range of clinicians (e.g., physicians, nurses, pharmacists) to engage the patient and other caregivers in developing and executing the care plan.

• National quality improvement strategies should explicitly recognize that medication adherence and effective use of medicines are critical to improving health care quality and clinical outcomes across a broad range of therapy areas.

• Health information technology and related standards must improve the flow of timely and complete information among providers and between patients and providers, facilitate patient engagement in their care, and enable clinicians and payers to identify and address gaps in patients’ medication use.

• Strategies to improve medication adherence must fully engage patients and incorporate their treatment goals and preferences. Strategies should also help patients better understand their conditions and treatments. Critical to the success of medication adherence strategies is encouraging clinicians to: implement best practices for medication adherence; effectively communicate to their patients the importance of following treatment plans; and provide medication support services to patients and family caregivers.

• There is a need for additional research on medication adherence, including a focus on: the effectiveness of interventions to improve adherence; improved research methods and uniform metrics for assessing the impact of various adherence interventions; and the evaluation of transferability of successful interventions to broader patient populations and settings.
**Potential Policy Solutions**

**Care Coordination & Comprehensive Medication Management**
- Incentives to support care coordination activities
- ACOs, Medical homes, Transition of care programs
- Test interventions at scale
- Synchronize fills

**Quality Measurement and Performance Improvement**
- Improve measures
- Expand reporting
- Use in payment models/rewards

**Health IT**
- Expand adherence specific standards in incentive programs (MU, ACOs, SGR)
- Promote adoption and use of adherence technologies and standards

**Patient & Provider Education & Engagement**
- Special packaging
- Reduce cost sharing or improve prescription drug coverage
- Counseling techniques
- Technology/Reminders

**Research Efforts**
- Expand policy and effectiveness research
- Reimbursement models
- Assess transferability of successful interventions to broader populations and settings
Is there an opportunity for progress?
1. Evidence demonstrates the consequences of non-adherence and the interventions that improve it
2. New adherence-related quality measures
3. Proven ROI
4. Consensus-based measures of adherence
5. Performance based payment, new benefit designs and other payment innovations.
6. New technologies and analytical services that facilitate measuring and improving adherence.
• **Renewed interest** from Stakeholders, Congress and the Administration in promoting medication adherence in light of the November CBO Report
  
  ✓ A 1% increase in the number of prescriptions filled would cause Medicare spending on medical services to fall by 1/5 %
  ✓ People respond to changes in cost sharing by +/- use of prescriptions
  ✓ *Decreased* use of prescription drugs was associated with *increased* use of medical services

• **Future Estimates:** CBO will estimate direct cost of increased drug use, then lower by medical services adjustment

• **Opportunity:** Educate Congress and the Administration on what is possible today and needed for tomorrow. Partner with like minded organizations.
  
  ✓ Bipartisanship is not dead...or overrated
  ✓ “Scorable”: Offer health solutions that improve outcomes and lower costs
  ✓ Diverse, all-in coalition
The time to advance medication adherence policies is ripe:

- CBO Methodology Change
- Budget Dynamics
- Bipartisan Support

Tactics:

- Roll out campaign
- Hill Meetings
- Policy Briefings
- Media Strategy
- National Conference
Questions?

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