

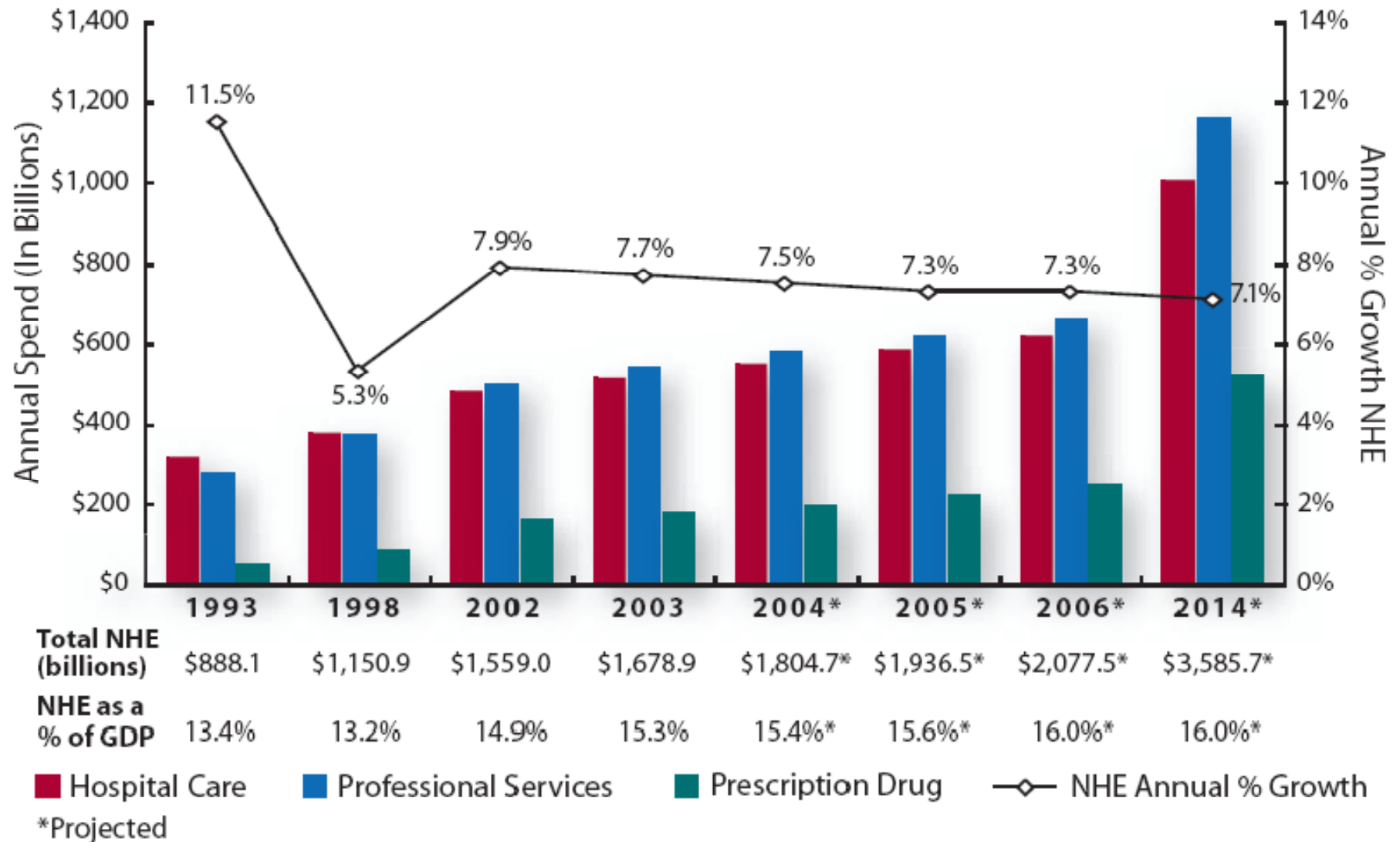
# Making the Most of Your Medications

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**Pharmacy Foundation**  
of California



## Growth of national healthcare expenditures (NHE) slows, but NHE accounts for increasing portion of gross domestic product (GDP).



Source: Centers for Medicare and Medicaid Services, Office of the Actuary; U.S. Department of Commerce; Bureau of Economic Analysis, and Bureau of the Census



# Drivers of Increasing Drug Spending

## Three main factors:

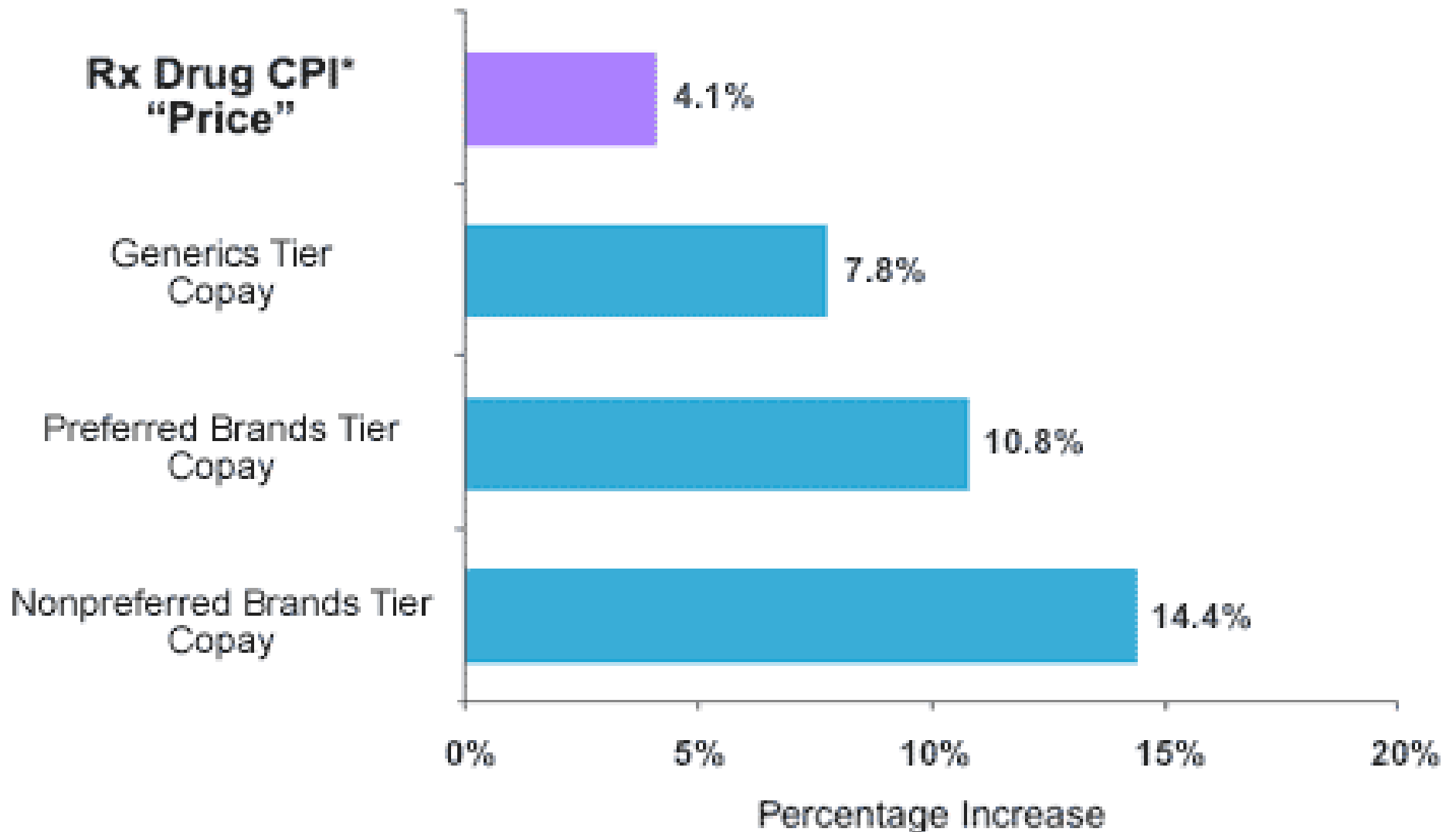
- Price Increases – 24%
- Drug Mix – 28%
- Utilization – 48%
  - Aging of population
  - Increasing chronic disease
  - Increased coverage



## What Does This Mean to YOU?

- 57% of business executives rated rising medical costs as their top benefit concern
- 47% of consumers more worried about healthcare or insurance costs than losing their job, paying their mortgage or being the victim of a terrorist attack

# Compound Annual Growth in Rx Price vs Compound Annual Growth in Copayments by Medicine Classification, 2000-2006





Are we spending  
too much...  
...or too little?



# The “Good”

- Medications can have tremendous human and financial benefits
  - Controlling cholesterol vs. bypass surgery
  - Controlling blood pressure vs. strokes
  - Controlling diabetes vs. amputations, blindness and kidney failure



## The “Bad”

- We need better medication *prescribing*
  - Many Americans do not receive appropriate preventative medication therapy for conditions like high cholesterol, diabetes and blood pressure
  - More than \$9 billion in lost productivity and nearly \$2 billion in hospital costs could be averted in the US through more consistent delivery of best-practice care





## The “Bad”

- We need better medication *use*
  - 1/3 to 1/2 of medication users do not take medications as prescribed
  - Cost to the US: \$290 billion/yr
- Bottom line: We’re paying a lot of good money for good medications that we might as well be throwing in the trash



## The “Ugly”

- We need *safer medication use practices*
  - When meds aren’t used as they should be, not getting the desired effect is the *best* that we can hope for
  - On average, 1 out of every 200 Americans are injured or killed each year by a *preventable* medication problem
  - Drug related problems cost our country \$177 billion/year



# Making the Most of your Meds

- **Navigating your drug benefit**
  - **Formulary**
    - A list of medications covered by your plan
    - Supported by current evidence-based medicine, and the
    - Judgment of physicians, pharmacists and other experts in the diagnosis, treatment of disease and preservation of health.



# Navigating Your Drug Benefit

## – Closed formulary

- Non-formulary drugs are not reimbursed by the payer
- Exception processes

## – Open Formulary

- Coverage is generally provided for formulary and non-formulary drugs



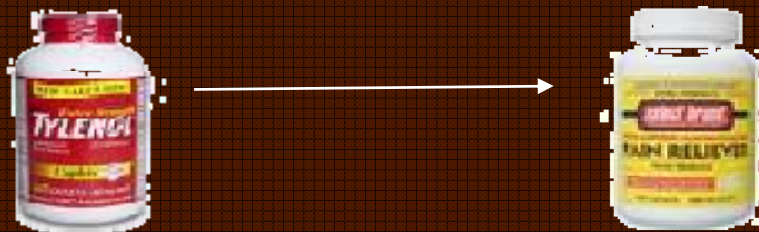
# Navigating Your Drug Benefit

- **Formulary tiers**
  - A sub grouping of medications within a formulary based on the level of coverage
- **Copayments**
  - A cost-sharing arrangement in which a covered person pays a specified charge for a specific service

# Medication Substitutions

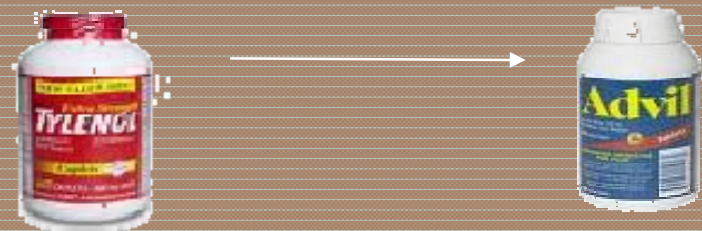
## Generic Substitution

- Substitution of a drug with the same active ingredient and mechanism of action, but produced by a different manufacturer

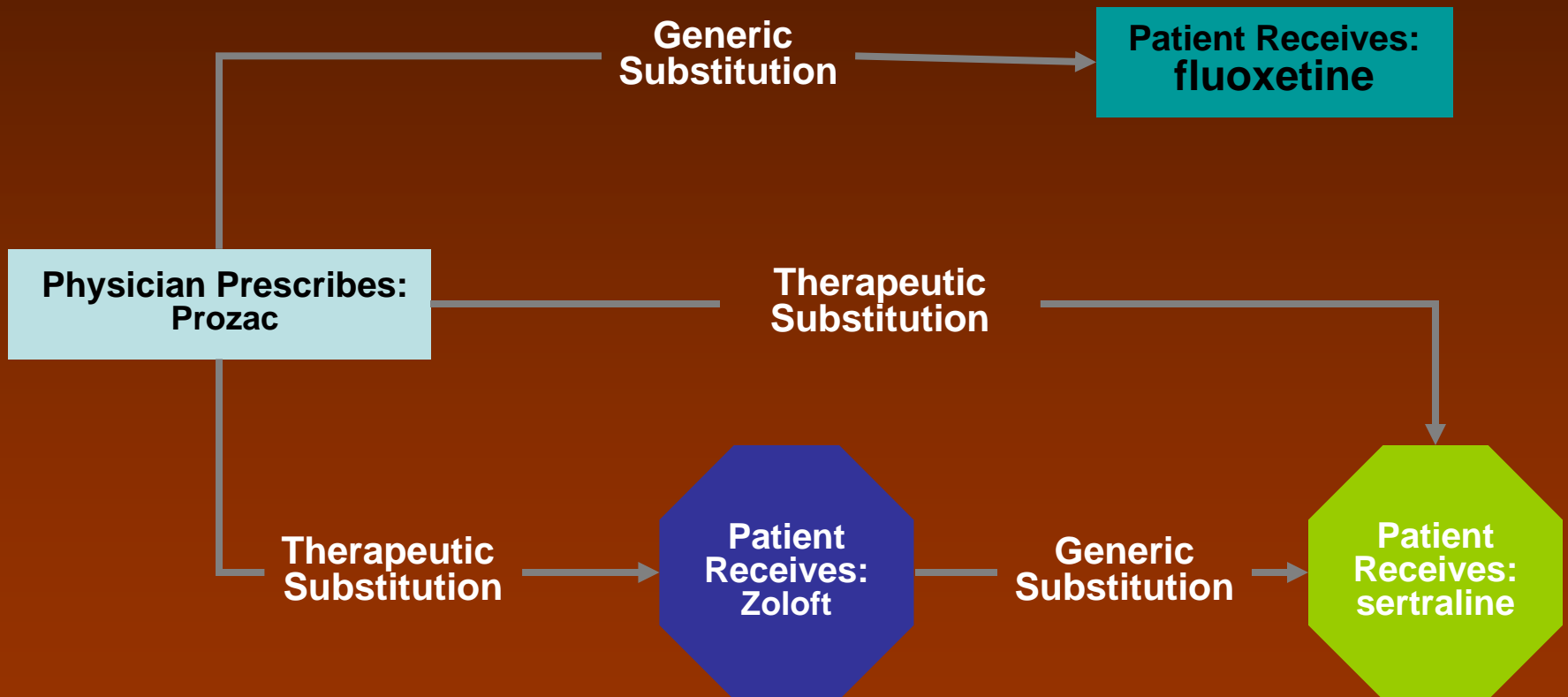


## Therapeutic Substitution

- Substitution of a drug that treats the same medical condition according to guidelines outlined in a drug formulary
- The drug products have different active ingredients and/or mechanisms of action
- One version, called therapeutic interchange, requires the consent of the prescribing physician



# Medication Substitutions





# Medication Substitution

## Benefits

- Can reduce patient's share of cost
- Improves compliance
- Can decrease overall healthcare costs

## Risks

- Can interfere with MD - patient relationship
- Can possibly lead to decreased effectiveness, side effects or interactions
- Can increase overall healthcare costs





# Medication Substitutions

- Situations where risks of switching may outweigh benefits:
  - Drugs with a “narrow therapeutic index” such as
    - Warfarin
    - Digoxin
    - Theophylline



# Medication Substitutions

- Situations where risks of switching may outweigh benefits:
  - Drugs with high inter-patient variability
    - CNS drugs for things like epilepsy, depression, ADHD, etc
  - Certain patient populations (e.g. seniors & children)

# Pharmacy Switching

- Plans often also use financial incentives to drive your use of alternate pharmacies
  - Different community pharmacies
  - Mail Order
  - Specialty

# Pharmacy Switching

## Benefits

- Can reduce patient's out-of-pocket costs
- Can improve compliance
- Can decrease overall healthcare costs

## Risks

- Can interfere with RPh - patient relationship
- Can lead to interactions, decreased effectiveness, or missed side effects
- Can increase overall healthcare costs



# Bottom Line With Switching:

Make sure whoever is making decisions about what medication YOU get has the FULL picture of YOUR situation

Communicate before you medicate

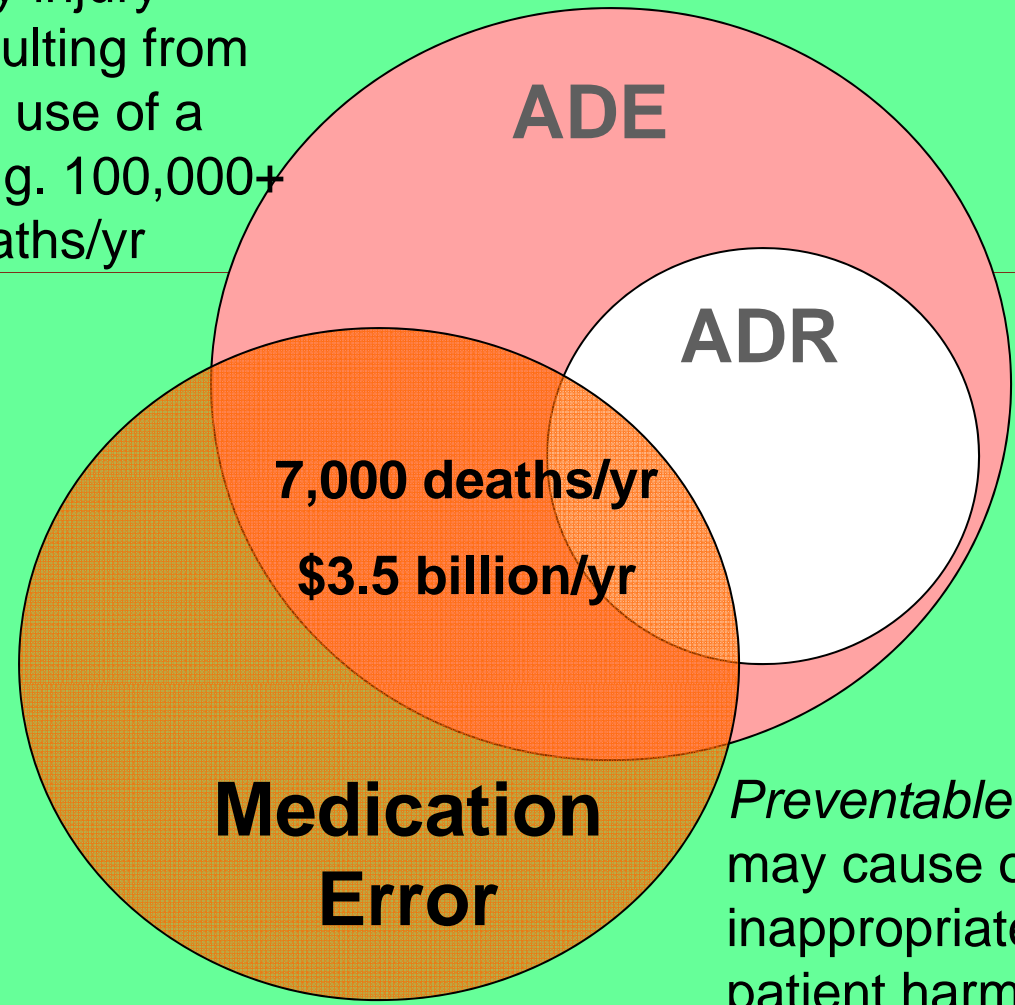


# Definitions

## Medication Use

Any injury  
resulting from  
the use of a  
drug. 100,000+  
deaths/yr

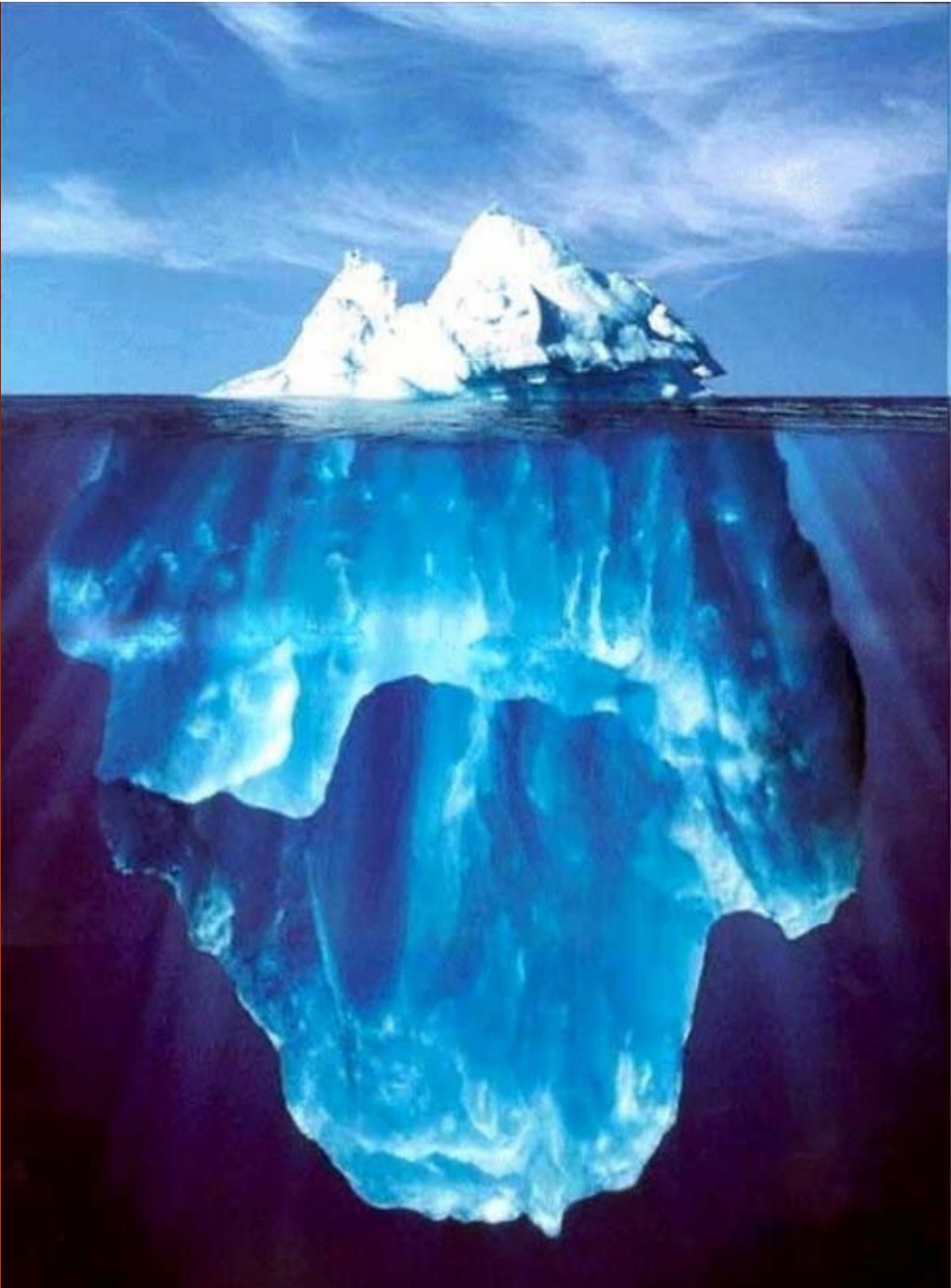
A response  
to a drug  
that is  
noxious and  
unintended,  
which  
occurs in  
normal  
therapeutic  
doses.



**Medication  
Error**

*Preventable* events that  
may cause or lead to  
inappropriate med use or  
patient harm.







# Making the Most of Your Meds

How to prevent medication errors

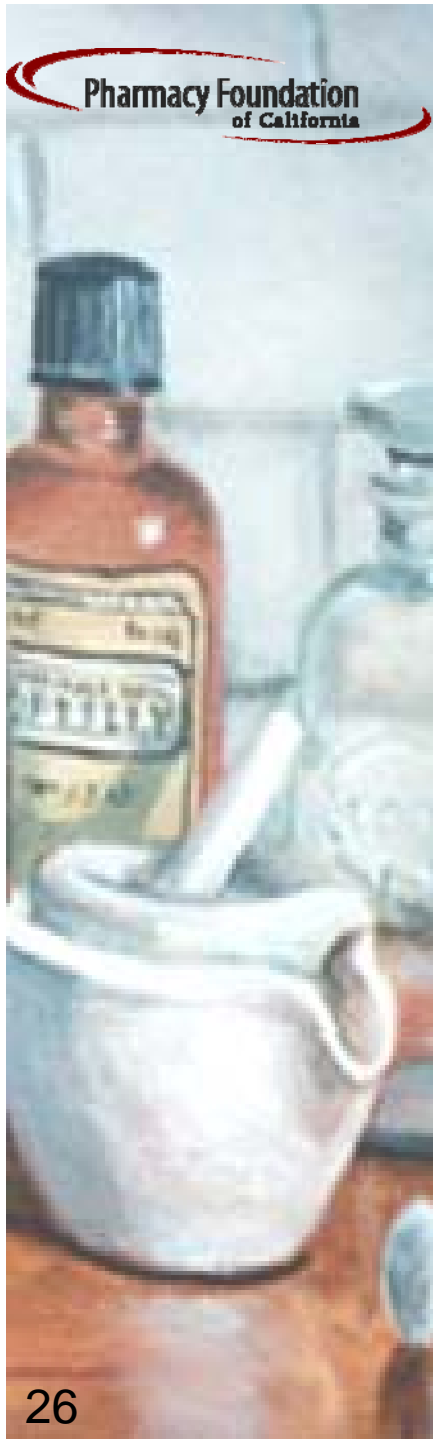
1. Recognize that ANY medication can cause harm if not used correctly
2. Recognize that no matter how smart or well intentioned your MD and pharmacist may be, they too often aren't given all the time and information they need to ensure the safety of your therapy





# Preventing Medication Errors

- Things to do at the doctor's office:
  - Make sure your doctor knows about ALL your meds and health conditions, AND has screened for interactions
  - Ask how you will know if your medication is working or causing side effects



# Preventing Medication Errors

- At the doctor's office:
    - Don't settle for anything less than a "safe prescription" which is one that
      - You can take with you
      - Is readable
- Aspirin 4mg po qd
- Explains what the medication is for



# ***Savvy Consumer: Medication Mix-Ups***

**'Savvy Consumer' Elisabeth Leamy Explains How to Avoid the Dangers of Bad Medicine**

**By ELISABETH LEAMY**

**July 28, 2006 —**

Every year, 1.5 million Americans are injured or killed by medication mix-ups. And if you land in the hospital for some reason, errors there are so frequent you could be subjected to a new one every day of your stay. Those heart-stopping statistics come courtesy of a new report by the prestigious Institute of Medicine.

Spencer P. suffers from serious sinus problems. His doctor prescribed a new medication and he took it with high hopes. But Spencer immediately suffered devastating side effects: dizziness, difficulty breathing and tightness in his chest. He missed several shifts at his day job and had to quit his night job. Spencer kept taking the medication, hoping the side effects would wear off and the drug would begin to work. After a month, he couldn't take it anymore and went to see his doctor. What a shock! The doctor had prescribed a nasal spray called "Flonase." The pharmacy had dispensed a prostate drug called "Flomax."

Why do medication mix-ups like this happen? For one thing, there are more prescription drugs on the market than ever before, an awful lot for a pharmacist to remember. To make matters worse, some of them have similar names -- like Flonase and Flomax, Celebrex and Cerebyx, Lamisil and Lamictal. If a prescription is called in -- or written in a doctor's famously messy handwriting -- it's easy to see how a pharmacist could get it wrong. Plus that pharmacist is probably overworked. Prescription drug use has doubled while the number of pharmacists has remained the same.



# Preventing Medication Errors

- At the pharmacy:
  - Use the same pharmacy whenever possible
  - Make sure your pharmacist knows about ALL your meds and health conditions, AND has screened for interactions
  - Obtain and READ the written info that comes with your Rx



# Preventing Medication Errors

- At the pharmacy:
  - Make sure you received the right medication
  - Don't waive your right to a consultation
  - Let your pharmacist read you the label



# Preventing Medication Errors

- At the pharmacy:
  - Ask the pharmacist questions about when & how to take it, what to avoid, etc
  - When you need to, *complain* to the pharmacist, pharmacy manager, district manager or the Board of Pharmacy



# Preventing Medication Errors

- At home:
  - Take your medication only as prescribed and never share it
  - Keep an eye out for side effects
  - Store your medications in a cool, dry and *safe* location
  - Keep an updated list of ALL your medications and health conditions



# Pharmacy Foundation of California

**Questions?**