

CASE STUDY

for U.S. health care providers

How Avera Health Took Control of Infusion Site-of-Care Decisions

Coordinating a response to payer restrictions with cross-stakeholder collaboration

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Overview

The challenge

Payers are increasing restrictions on infusion services for high-cost specialty medications. Health system leaders report that these policies threaten patient safety and the financial sustainability of hospital-based infusion centers. However, many health systems lack the internal coordination to assess the impact of these policies. Additionally, payer contracts and infusion site-of-care decision-making typically fall to teams without the knowledge or tools to act in the best interest of the health system.

The organization

Avera Health is a fully integrated health system with 35 hospitals. It's based in Sioux Falls, South Dakota. Avera's pharmacy services include in-home and hospital-based infusion operations, a fully accredited specialty pharmacy, as well as retail, long-term care, and compounding pharmacies.

The approach

Avera Health's pharmacy leader took a multipronged approach to streamlining site-of-care decision-making. She collaborated with critical health system leaders on understanding the options for ensuring that the right site-of-care decisions can be made in the moment. The leaders were then able to coordinate the right support for the teams responsible for making infusion decisions.

The result

Avera's initiatives led to a significant increase in home infusion specialty drug revenue, a substantial decrease in unreimbursed infusion center drug costs, and improved payer contracts. The initiatives have also received positive feedback from Avera staff and led to an improvement in patient experience.

Approach

How Avera Health took control of infusion site-of-care decisions

At Avera Health, a pharmacy leader convened and educated key stakeholders across the health system about pharmacy site-of-care issues. The resulting multidisciplinary work group developed strategies to support more appropriate site-of-care decisions. The connections forged through this work group have better prepared Avera Health to respond to future payer challenges.

The three elements

There are three key elements to Avera Health's process of determining infusion site-of-care decisions:

01 Form strategic work group to engage key stakeholders

02 Invest in infusion advocates to proactively tackle payer restrictions

03 Provide pharmacy support to strengthen payer contracting

01 Form strategic work group to engage key stakeholders

Avera Health infusion program leaders thought their payer strategy was working after they instituted a “no white-bagging”¹ policy and successfully appealed site-of-care mandates. However, payers soon became unresponsive to appeals. Instead, payers started referring patients directly to home infusion or requiring white-bagging. Questions mounted across the health system as an increase in Avera’s home infusion call volume exposed the scope of payer restrictions.

Collaborate to drive a holistic, proactive response

To address escalating concerns about payer infusion restrictions, Avera’s assistant vice president (AVP) of pharmacy convened key stakeholders in an interdisciplinary work group.² The AVP of pharmacy first educated the group on trends in infusion site-of-care, the impact of payer policies on health system services, as well as the options and levers available to minimize care disruption. Most importantly, the group focused on how to make sure the system was paid for infusion services despite changing trends. The group met monthly to create different workflow algorithms, modeling by payer and by drug to determine best ways to triage patients. The cross-stakeholder dialogue resulted in a holistic, proactive response to payer restrictions on infusion services.

“

As a health system, Avera believes it’s our responsibility to help patients understand their options and navigate to the most appropriate site of care.

Melissa Goff, Assistant Vice President of Pharmacy – Retail & Innovation
Avera Health

1. “White-bagging” refers to payer policies that require specialty pharmacy sourcing for medications administered in hospital outpatient departments.
2. Key stakeholders represented Avera’s infusion center, home infusion, specialty pharmacy, payer contracting, and finance teams.

02 Invest in infusion advocates to proactively tackle payer restrictions

The work group identified the need for a “gatekeeper” to proactively address payer restrictions when patients are referred for infusion services. Leaders created an infusion advocate role to streamline prior authorization and patient intake processes. Infusion advocates determine the optimal site of care based on patient and payer factors. The advocates also help ensure that Avera will be reimbursed for the care.

Infusion advocate core functions

Infusion advocates optimize site of care and ensure care continuity for patients. Their responsibilities include:

- Conducting pre-infusion benefit investigations
- Synthesizing payer policies, quality and safety metrics, and patient preference to determine the best setting for an infusion
- Checking scheduled infusions to ensure active authorization and manage appeals
- Collaborating with infusion schedulers to ensure care continuity for infusion patients
- Working directly with patients to facilitate financial assistance, such as enrollment in free drug programs

Three tactics ensure infusion services stay in-house

1. Direct patients to Avera’s home infusion operation.
2. Bill for services out of Avera’s home infusion, but direct patients to a hospital-based infusion center.
3. Bill on the pharmacy benefit through Avera’s specialty pharmacy and direct patients to an Avera infusion center.

If these strategies fail, pharmacy takes the patient’s case to the payer contracting team,¹ which starts a conversation with the payer.

1. Health systems often alternatively refer to the payer contracting team as the managed care team or payer relations team

INTRODUCE INFUSION ADVOCATES TO PROACTIVELY TACKLE PAYER RESTRICTIONS

Maximize impact by deploying existing expertise

The infusion advocate role builds on expertise developed in Avera’s specialty pharmacy advocate program. Prerequisite competencies include prior authorizations, pharmacy benefit investigations, pharmacy billing, and health system pharmacy services. While the infusion advocates’ workflow mirrors that of specialty pharmacy advocates, infusion advocates have the added challenge of working across both pharmacy and medical benefits.

During their training, new infusion advocates meet with each of the work group stakeholders individually, across a three week period. The training covers topics such as medical benefit billing, communication, handoffs, and roles. Advocates spent time with clinic staff to better understand medical authorizations for infusions.

Before going live, infusion advocates demonstrate their ability to identify the best solutions for different patient situations by working through sample cases.

3

Infusion advocates trained from existing staff

80

Hours required to train new infusion advocates

03 Provide pharmacy support to strengthen payer contracting

Identify opportunities ahead of payer negotiations

Collaborating in the work group enabled Avera’s pharmacy and payer contracting teams to establish a strong working relationship. Because of this mutual trust, the pharmacy AVP is now immediately notified of medication-related payer contract changes and works closely with C-suite leaders and the payer contracting team ahead of payer negotiations.

Avera’s pharmacy AVP also provides the payer contracting team with critical information to support stronger, more nuanced payer negotiations. Information includes quality data as well as financial analyses to demonstrate the hard-dollar value of various contracting opportunities for the health system. One outcome of this collaboration was that the contracting team successfully negotiated to include Avera in a payer’s exclusive specialty pharmacy network.

Use pharmacy expertise to offset future challenges

Bringing in pharmacy expertise and capabilities positions Avera to preemptively address both payer restrictions on infusion services and other specialty drug management strategies. This supports Avera’s negotiations for a wide range of issues, from more favorable at-risk contracts to formulary changes for biosimilar conversions.

Pharmacy information used to support payer contract negotiations

- Pharmacy accreditations
- Outcomes compared to standards
- Member satisfaction
- Downstream risks to the payer

Results

In addition to better internal collaboration and improved payer contracting, Avera Health has seen positive financial implications as well as satisfaction among patients and staff.


Realized hard-dollar value in savings, revenue

Infusion advocates help the system avoid approximately \$30K per week in unreimbursed drug costs by ensuring scheduled infusions have an active prior authorization. They also generate additional revenue by limiting leakage of infusions otherwise sent to external providers. The infusion advocate's impact extends to increases in home infusion specialty drug revenue and prescription volume.

Improved patient experience

The results also go beyond financial implications. Infusion advocates have improved the patient experience by identifying financial assistance and managing site-of-care issues before they impact patients. This has led to a notable decrease in patient calls and unpaid claims.

Promoted staff well-being

Infusion advocates enable Avera's clinical staff to spend more time delivering patient care by taking over tasks related to appeals, prior authorization, and financial assistance. The role is also an additional opportunity along the pharmacy technician career ladder. 

300%

Increase in average home infusion specialty drug revenue in the first half of 2020 compared to the first half of 2019

\$442K

Total value of financial assistance identified for Avera infusion patients

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