

Focusing on direct patient care transforms Reading Health System pharmacy into a value-adding engine

Reading Health System

Berks County, Pa.

Reading Health serves the Berks County, Pa., region with a Level II trauma center at its flagship acute care hospital, a rehabilitation and skilled care facility, and more than 1,000 physicians and other providers at 46 locations. Major services include oncology, cardiac and orthopedics. About 60 percent of Reading's pharmacy spend is in cancer services.

In 2014 Reading Health System's pharmacy set some familiar goals—raise staff productivity, control spiraling drug costs and integrate newly acquired services. With Vizient Pharmacy Consulting as its expert guide, they achieved these goals and much more.

By focusing on direct patient care, Reading unleashed the power of pharmacy services to add value systemwide. “We’re changing our pharmacy practice model so pharmacy staff can get back out on the nursing units as part of the care team and discharge planning,” says John Mercer RPh, Reading’s director of pharmacy. Pharmacists helping physicians make better drug therapy choices and patient follow through adds huge value, he notes.

Vizient-supported pharmacy initiatives resulted in \$1.5 million in annualized implementable savings in just nine months—more than double the initial estimate at the beginning of the engagement. More importantly, the new pharmacy practice model will facilitate closer collaboration of pharmacists with clinicians and improved operating efficiency, setting the stage for larger future gains.

Multiplying contract savings

Thanks to its previous focus on supply operations and cost, Reading was already maximizing the performance of existing Vizient pharmacy contracts. By joining the Vizient Mid-Atlantic Purchasing Coalition (MAPC) Pharmacy Network, Reading was given access to enhanced aggregate contracts that resulted in savings of \$416,000 annually.

Even more valuable is the exchange of ideas with peers at the MAPC Pharmacy Network in-person meetings, Mercer says. “At the quarterly meetings we have 15 or so hospital systems in the room talking about the issues we are all facing. Knowing how other people have tackled them is extremely helpful.”

Vizient clinical pharmacy experts helped Reading save and/or avoid cost increases of another \$1 million-plus by tightening clinical protocols and converting to less expensive alternative medications. Reading estimates protocols in the pipeline will save at least another \$626,000. Pharmacists working directly with physicians on care teams will help build support for the clinical practice changes that make such significant savings possible.

Apples to apples

Vizient data and operational expertise helped Reading improve staff performance with benchmarking data from comparable hospitals. This is crucial for setting appropriate staff productivity and other performance goals. Searching its database, Vizient found other similarly sized hospitals with large cancer drug spends like Reading's, which has oncology drugs at about 60 percent of total pharmacy spend.

Comparing staff roles at Reading with benchmarks from this group of hospitals led to reassigning 8.5 full-time employees (FTEs) who performed medication reconciliation in the emergency room from the pharmacy budget to nursing. "What they were doing was really a nursing function and that definitely helped us properly allocate those FTEs," Mercer says. With this change, Reading's pharmacy productivity was well within peer norms, relieving management pressure to trim staff. This gave Reading the flexibility to adjust pharmacist and technician roles to better support a value-based practice model, Mercer notes.

Vizient then used benchmarking data to provide Reading with guidance for medication utilization opportunities. The clinical studies and benchmarking data Vizient presented helped Reading pharmacy staff make a more compelling case in medical staff discussions around prescribing preferences where more cost-effective alternatives were available.

"[Vizient experts] really understood those benchmarks and what they mean, and the importance of comparing performance with like organizations. It's very easy for the numbers to look wrong if your comparison is wrong," Mercer adds.

The next level—practice model optimization

Vizient Pharmacy Consulting worked closely with the Reading pharmacy leadership team to envision the future practice model for pharmacists and technicians.

The key to freeing pharmacists for direct patient care is to encourage every staff member to do their best. Reading's new practice model helps everyone, from junior technicians through experienced clinical pharmacists, to perform at the top of their practice scope. This frees pharmacists to interact more fully in patient care teams—improving care by collaborating with other clinicians.

To ensure proper training for these new roles, Vizient and Reading set up minimum expectations and training timelines for all staff, and created three levels of pharmacists and pharmacy technicians. Moving up requires mastery of competencies, and Reading implemented formal training and testing for its staff. Staff members are not required to achieve the highest level, but they are financially compensated if they do. Most staff members are thrilled about these changes, Mercer says.

Results of these staffing changes include better prescribing with pharmacists supporting clinicians at the treatment decision point. This helps prevent prescription errors. Pharmacists also counsel patients for improved adherence, and ensure patients receive the drugs they need. Better patient adherence not only helps keep diseases under control, it can cut costs by avoiding hospital readmissions. Making outpatient care more effective also positions the system for value-based contracting.

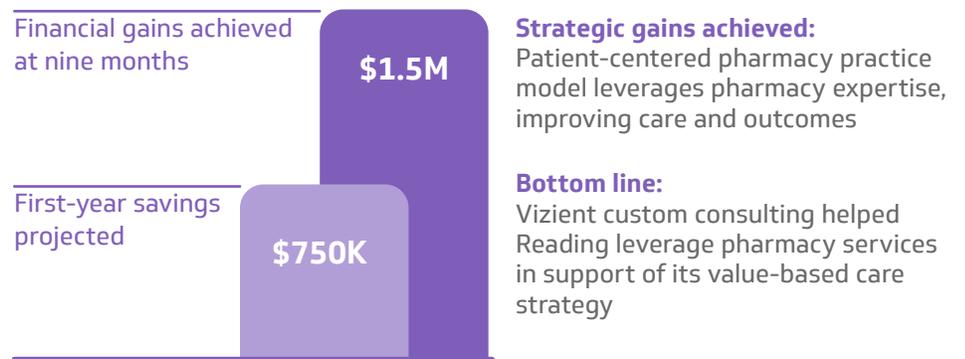
Future gains

Mercer will continue to use the model Vizient started to further develop Reading's patient-centered pharmacy practice model. He also values continuing performance comparisons and peer-to-peer support, as well as savings from MAPC Pharmacy Network contracts and networking opportunities.

Reading also expects big benefits from the Vizient expertise in navigating the complex rules for the federal 340B drug discount program. "A year ago it looked like we were going to qualify but we narrowly missed; this year we will qualify. Vizient has done an excellent job of educating us on what needed to be done," Mercer says.

Overall, Mercer is happy with the results from the tailored service approach of Vizient Pharmacy Consulting. "It's really good to have the expertise Vizient brought, and they worked well with us to identify where our opportunities are and whether they are a fit for Reading or not. Vizient does an excellent job."

Big benefits now and later



As the nation's largest member-owned health care services company, Vizient provides network-powered insights in the critical areas of clinical, operational, and supply chain performance and empowers members to deliver exceptional, cost-effective care.



For more information, contact consulting@vizientinc.com.