

Ahead of the Curve

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Many private sector reports cross my desk on a regular basis, but rarely does one catch my attention as did “Ahead of the Curve: Top Ten Emerging Health Care Trends: Implications for Patients, Providers, Payers and Pharmaceuticals,” issued by the Academy of Managed Care Pharmacy (AMCP) Foundation.¹

For those of you who are unfamiliar with the AMCP Foundation, which is headquartered in Alexandria, VA, it is a 501(c)(3), nonprofit corporation that serves as the research, education, and philanthropic arm of the AMCP. Created in 1990, the foundation “exists to advance collective knowledge and insights on major issues associated with the practice of pharmacy in managed healthcare settings.”¹ Over the years, I have had the privilege of collaborating with colleagues there, and I’m a regular reader of their scholarly journal, the *Journal of Managed Care Pharmacy (JMCP)*.

The AMCP Foundation received an educational grant from Pfizer Pharmaceuticals in New York City to support an AMCP-directed research project that combined a targeted literature review with the selection and impaneling of a national advisory board. The advisory board worked over a series of months, including a full-day, in-person workshop, to generate findings for the report. Although the details about the methodology are readily available in the report (pages 6-7), I was impressed by the scope, depth, and reputation of the advisory board members.

The timeliness of this report is outstanding, given the major disruptions in the marketplace, such as the recent purchase of Catamaran Corporation, one of the nation’s largest pharmaceutical benefit managers, by United-Health Group. Briefly, the 10 emerging healthcare trends expected to have an impact over the next 5 years, as discussed by the foundation, are¹:

1. Migration from fee-for-service to new provider payment models. Although I agree that this may emerge as the top trend in the next 3 years, I don’t think it needs any further emphasis or explanation.

2. The consolidation of healthcare stakeholders. I am confident that many readers may find their organization is undergoing a consolidation in its particular mar-

ketplace. At Jefferson College of Population Health, we have consummated a merger with Abington Health (a system located in the Philadelphia suburbs) to create Jefferson Health, which will emerge as one of the largest provider organizations in our region. The full asset merger of these 2 proud organizations represents a sea change in the Philadelphia-area marketplace.

3. Widespread use of data and analytics in patient care. Here again, our readers are familiar with this trend, and I am happy to see that the external advisors ranked this in the top 3 trends. They did point out, I think wisely, that “the full potential for data-driven insights to revolutionize care is hampered by current data limitations, a lack of a robust business model for interoperable data exchange across organizations, and broader organizational barriers that require coordinated solutions across stakeholders.”¹ Simply put, we are not there yet.

4. Spending and utilization for specialty pharmaceuticals is an emerging trend of great importance to our readers. The authors of the AMCP Foundation’s report contend that increased utilization and spending for specialty medicines will continue, and that there is widespread uncertainty regarding biosimilars and the rapid innovation in personalized medicine. Let’s examine this in more detail. For example, the authors believe that by 2018, 50% of all prescription drug spending in commercial managed care plans will be devoted to specialty medicines, which is a dramatic increase since 2012.¹

Another key takeaway here is the need for “improved requirements for demonstrating value in pharmaceuticals.”¹ Our faculty at Jefferson College of Population Health certainly would concur with this important observation. As budgetary pressure on managed care formularies continues to escalate, there is a corresponding need to clearly articulate the value proposition for a given drug. In response to this increased spending, health plans may increase the number of tiers in their drug formulary, manage specific sites of care and channels very closely, increase patient cost-sharing, and potentially implement closed formularies based on centralized decision-making.

5. Medicaid expansion resulting from healthcare reform. As Medicaid expands, a larger portion of the economic risk will shift from the government to com-

mercial payers and providers, which will, in turn, increase cost pressures across the entire healthcare delivery system. Whatever your politics, Medicaid expansion is a major emerging trend, and hence, it is appropriately noted among the top 10 trends.

6. Continued migration to a value-oriented health-care marketplace. Although the report does not go into detail regarding value-based benefit design (VBBD), my own view is that this will continue to be a controversial area. Our readers are no doubt familiar with VBBD, whereby access to certain critical medications is available at a lower out-of-pocket cost (or no cost) as a way to improve compliance and decrease downstream spending. Led by experts such as A. Mark Fendrick, MD, and Michael Chernew, PhD, and others, VBBD is a force that must be recognized.

I concur with the list of these 10 emerging trends, and at their core, these trends reflect the seismic shift in our system from one built on the volume of services delivered to a more complex environment where value-driven payments are central.

7. Growth and performance of accountable care organizations. The Delaware Valley Accountable Care Organization—a joint venture of Jefferson Health, Main Line Health, and several smaller institutions—is emerging as one of the largest accountable care organizations (ACOs) in the nation. The ACO model provides an important experimental platform, enabling us to learn more about risk-bearing arrangements with providers and managing population-based data.

8. Role of technology in patient engagement. “In a survey of 21 specialty providers, almost two-thirds reported using smartphone and tablet applications to engage their patients with drug order-related items, such as refill reminders or pharmacy order status; proactive messaging with medication and dose reminders to improve adherence; and patient education regarding treatment plans and disease information.”¹ I believe this is an inexorable trend, and within 3 years all specialty pharmacy providers will have technologically enabled patient connectivity principally through smartphone technology. The report’s authors believe that this ability to connect

with covered members in new ways through technology will provide “another lever to improve patient satisfaction and drive patient ownership over disease management.”¹ I think this will be especially powerful in certain key social strata and age-groups, especially millennials.

9. Increasing patient cost-sharing. There are a host of models connected to increasing patient cost-sharing, including high-deductible health plans. I was surprised to learn that “for medical benefit injectable drugs, average patient coinsurances increased by 18% and average copayments increased by 63% between 2011 and 2012. Also, high-deductible health plans are now the primary benefit offering by 13% of US employers (representing ~20% of Americans who have employer-sponsored coverage).”¹ I did not appreciate the degree of adoption of high-deductible health plans, and I better understand why it is ranked ninth in the list of the top 10 healthcare trends.

10. Healthcare everywhere. Herein, the location of care is shifting from the hospital to the home, and the focus is on improving patient health and well-being. In many communities, this has become a critical, socially driven goal and a struggle against mitigating determinants such as poverty, crime, and violence. Healthcare everywhere also calls for a greater role for nonphysician care providers, such as nurse practitioners, physician assistants, and, of course, pharmacists. I would argue that healthcare everywhere makes teamwork a central focus of clinical practice.

In summary, I concur with the list of these 10 emerging trends, and at their core, these trends reflect the seismic shift in our system from one built on the volume of services delivered to a more complex environment where value-driven payments are central. In other settings, I have alluded to this as the “no outcome, no income” system of the future.²

If you’d like to learn more about this report, you can contact the AMCP Foundation via their special e-mail contact through www.amcpfoundation.org, or you can call them (703-683-8416). As always, I am interested in your views, and you can reach me via e-mail at david.nash@jefferson.edu. ■

References

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