

Increased Access for the Uninsured, Better Care for the Whole Community

A 340B Case Study with Ozarks Medical Center

The 60-year-old osteoporosis patient's jaw dropped when she reached the checkout desk at the Ozarks Medical Center's rural health clinic.

Lee Davis, the clinic's supervisor, informed her that her prescription for anabolic osteoporosis medicine could cost about \$1,200 a month. Recently retired, the patient lacked an employer-paid insurance plan. She was too young for Medicare and could not afford an individual health insurance plan. These circumstances made her prescription seemingly unaffordable. Her distress turned into relief when Davis, understanding her financial situation, mentioned that Ozarks Medical Center had a 340B program. If she used one of the hospital's 340B contract pharmacies, the cost would only be \$234 a month.



We chose Wellpartner as our 340B administrator because we wanted a contract pharmacy expert that would help us build and manage the right pharmacy network with rigor and help keep us in compliance. The most important thing about our program is the community benefit it delivers, either directly to uninsured patients' pocketbooks or as an offset to uncompensated care the hospital delivers.

Jeremiah McWilliams, PharmD
Pharmacy Director, Ozarks
Medical Center

Ozarks Medical Center

In all, Ozarks Medical Center has nine retail pharmacies in its 340B network, each of which can process claims for uninsured patients at deeply discounted prices. The hospital is located in southern Missouri, near the Arkansas border, and has clinics in both states. The Ozarks region is primarily rural with a very low average household income. Nearly a fourth of the population in its five core service counties lives below the poverty line, many are without health insurance coverage.



**9 retail pharmacies
in 340B network**

340B Expansion & Contract Pharmacy Networks

The federal 340B program was enacted in 1992, but had limited reach. In 2010, a Health Services and Resource Administration (HRSA) regulation change dropped the one-to-one restriction for 340B contract pharmacies. Prior to this change, 340B covered entities were limited to one contract pharmacy per site. Typically that “one pharmacy” was located close to or even inside the clinic or hospital. This restriction meant that only uninsured patients visiting the hospital’s out-patient pharmacy, or the single contract pharmacy close by, could benefit from 340B prices. Many patients who waited to fill their prescriptions, or who lived far away from the facility, did not benefit at all from the 340B

program. Lifting the one-to-one restriction opened up the program to many more patients and allowed covered entities to significantly increase 340B’s community benefit impact by contracting with pharmacies outside the hospital or clinic’s immediate vicinity.

But, the creation of multi-pharmacy networks also increased the complexity of administering the program. Tracking, documenting, and reporting on the eligibility of any one prescription became much more difficult. Fortunately, the benefits made this worth the effort. Ozarks Medical Center decided to establish its now highly successful, multicounty, multi-pharmacy 340B program in 2011. To do so, they turned to a program administrator with expertise in working with retail pharmacies – both chains and independents – and one with a reputation for taking a conservative approach to claim eligibility.

Using Wellpartner as its agent, Ozarks maintains a very close partnership with its contract pharmacies



It was a change of business model, but Wellpartner and Ozarks worked with me to make some process and reporting changes in the existing [inventory management and replenishment] model so that I felt comfortable. It has been a win-win for me.

Larry Burns

Owner, Palace Drug
An Ozarks Medical Center
contract pharmacy

Community Benefit

The 340B program is a win for Ozarks Medical Center as well. In 2012, 5,500 prescriptions were provided to uninsured patients. In all, more than 29,000 prescriptions were filled through the hospital's contract pharmacy network. The hospital offers an assistance program that provides no-cost drugs to patients who cannot even afford the discounted 340B price. The 340B program also provides much needed funding to help keep rural clinics open in some of the more remote parts of the hospital's service area. Overall, the 340B program allows Ozarks Medical Center to mitigate the cost of charity care, lessen the financial burden caused by a flat economy and Medicaid shortcomings, and increase pharmaceutical access for the under-served.

Ozarks Medical Center patients benefit on a clinical level, as well. Among the services provided by its administrator, is a robust program tracking that includes Medical Management Reports, allowing prescribers to monitor adherence among their 340B-eligible patients. "Too often, our prescribers have little or no ability to review pharmaceutical therapy adherence of uninsured patients," said McWilliams. "The Medical Management Reports provide us with patient information we would not otherwise have."



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340B and Healthcare Regulatory Changes

In the coming years, virtually all 340B covered entities will face funding challenges precipitated by the Affordable Care Act (ACA) and by how their respective states decide to handle the proposed Medicaid expansion. But even if Missouri rejects the Medicaid expansion, Ozarks Medical Center can depend on 340B to help uninsured and underserved patients obtain to the drugs they need at prices they can afford.

"We can help a few patients here and there with expensive drugs, where there can be very big price savings," says Larry Burns. "We help 100 or even 1,000 customers purchasing albuterol inhalers, a \$1,200 per month drug. And being able to afford your asthma drug is really life altering when you can't otherwise breathe."



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Owner, Palace Drug
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Visit www.wellpartner.com or email yourteam@wellpartner.com to learn how we are your strategic partner in driving 340B program value.