

Project Destiny Executive Summary

The American Pharmacists Association (APhA), the National Association of Chain Drug Stores (NACDS), and the National Community Pharmacists Association (NCPA) have joined together for Project Destiny, an initiative intended to foster the broad embracing of community pharmacy's healthcare services beyond dispensing medication. Pharmacists, as medication experts, are well-suited for providing patient care that ensures optimal medication therapy outcomes and can contribute to the lowering of overall healthcare costs. Project Destiny has identified potential mechanisms for offering services to patients that are valued by the healthcare system which can be replicable, scalable and economically viable for community pharmacy.

This work is of tremendous potential value to patients, the healthcare system and the nation. For example, a report released in August 2007 by the National Council on Patient Information and Education said, "In the United States and around the world, there is compelling evidence that patients are not taking their medicines as prescribed, resulting in significant consequences. Lack of medication adherence is America's other drug problem and leads to unnecessary disease progression, disease complications, and reduced functional abilities, a lower quality of life, and even death." The report cited economic analysis that concluded, "Poor medication adherence has been estimated to cost approximately \$177 billion annually in total direct and indirect health care costs."

In addition, in October 2007, the Milken Institute released a report that indicated the seven most common chronic diseases in the nation put a \$1.3 trillion annual drag on the economy. The report estimated the drag could reach nearly \$6 trillion by the middle of the century.

Key Findings

Based on research, analyses, and stakeholder feedback¹, the initial phase of Project Destiny has a number of key findings that provide insight to community pharmacy relative to a new model for the future:

- A significant unmet consumer need to manage medication therapy exists in the market, as exemplified by increases in chronic conditions and avoidable healthcare costs.
- A viable market opportunity exists for community pharmacy to seize.
- Pharmacists are well positioned to address unmet needs as medication experts and trusted professionals.

¹ Stakeholder groups include: pharmacy owners and operators, pharmacy extenders (technicians), funders (employers), public and private payers, medical professionals (physicians et al.) academia, drug manufacturers, legislators and policymakers, HR benefit consultants, technology enablers, patients, other related associations and non-profits.

- The medication management market is being defined quickly, as community pharmacy, nurses, physicians, payers and pharmacy benefit managers all are engaging to some degree.
- Industry stakeholders are interested in assisting pharmacy in the process of developing valuable service offerings and bringing the services to market.
- Significant hurdles exist for community pharmacy, and these range from the magnitude of the industry-wide effort, to regulatory restrictions related to pharmacists and pharmacist extenders, and time constraints on pharmacists currently.

It is also important to note there was near unanimous agreement across stakeholder groups that community pharmacy must commit to a significant transformation to achieve its full potential role in patient care and medication management, a role which could benefit patient-centricity, accessibility and affordability throughout the healthcare system.

The ability to capture the market opportunity will require significant change beginning with the image of the community pharmacist as perceived by key stakeholders. The concept of a *primary care pharmacist* is a fundamental component of the transformation strategy. The *primary care pharmacists* will demonstrate their value by assisting patients and their providers in the overall management of medications and specific conditions across the delivery system. The *primary care pharmacist* will use data and insight to impact overall patient care with a specific focus on multiplicity- the management of multiple conditions including the use of multiple medications prescribed by multiple providers.

The Vision for the Future

Project Destiny has developed the following proposed vision for community pharmacy:

Community pharmacists will fulfill the role of a primary care pharmacist, serving as a trusted and effective resource that is valued by consumers, prescribers, healthcare funders and payers for their clinical and medical management expertise.

The primary care pharmacist will demonstrate their value working with consumers to navigate throughout the healthcare delivery system and improve health outcomes through better medication and condition management.

Working collaboratively with the healthcare delivery and financing systems, the primary care community pharmacist will focus on managing medications, positively impacting health outcomes, reducing overall healthcare system costs and empowering consumers to actively manage their health.

To realize the vision for community pharmacy, Project Destiny developed potential models for consideration, which focused on:

Delivering the vision of a new Community Pharmacy Service Model ...

Pharmacies across geographies can choose to deliver a core service offering of Patient Care Management Services to consumers in collaboration with payers regardless of which type of community pharmacy the consumer selects.

Fostering a consistent infrastructure based on appropriately adopted standards...

Appropriately adopted standards will help ensure service obligations to consumers and payers are met and will help ensure efficient operational delivery within a pharmacy organization providing services to multiple consumers and payers.

Maintaining the autonomy of individual pharmacies...

- Independent pricing and contracting at the pharmacy organization level
- The ability to enhance the core elements at the pharmacy organization level.

Service Offering Recommendations

Based on Project Destiny findings, it is clear that now is the time for community pharmacy to make the transition from a transaction based, commoditized dispensing model to a relationship based, consumer-centric model.

The cornerstone of the new model is the delivery of Patient Care Management Services which include a set of clinical interventions that go beyond a narrow definition of medication therapy management to include a series of condition specific interventions targeting 15 conditions plus polypharmacy that drive a disproportionate level of avoidable healthcare utilization. The Patient Care Management Services leverage the pharmacist's clinical knowledge and skills related to medication management and address the consumers' healthcare questions and educational needs. A key differentiator of the Patient Care Management Services is the delivery of the core interventions to patients through face-to-face interventions with the primary care pharmacist. The collection and reporting of intervention and outcomes data to the key stakeholders is a core component of the service offering.

There are a number of entities, both within and outside community pharmacy, delivering Patient Care Management Services to the market. The differentiation for community pharmacy must come from a combination of how the services are marketed, delivered and reported on from a value and outcomes perspective. As importantly, it is clear the stakeholders, in particular payers and healthcare funders, want to provide input on the service design and delivery. Within community pharmacy, initiatives already exist that provide patient care services that have demonstrated the value community pharmacy can bring to medication and patient care management. The Project Destiny researchers had an opportunity to interview a few of these organizations, specifically Mirixa, Outcomes, and APhA Foundation. There is no intent, within Project Destiny, to reinvent the wheel relative to the development of Patient Care Management Services and there is much to be leveraged. Organizations such as Mirixa, Outcomes, APhA Foundation and others

offering patient care management solutions will be leveraged by community pharmacy in the future to increase speed to market and generate critical mass.

The Model aligns services that are managed and delivered directly to consumers through primary care pharmacists and their teams:

Dispensing and Administering – Services related to the coordinated preparation, filling, and delivery of a customer’s prescription medications as well as administering of other medications (e.g., vaccinations).

Patient Care Management Services – Services that leverage the pharmacist’s clinical knowledge and skills related to medication management to address consumers’ health issues or concerns.

Related Health Product Recommendations – Services designed to augment consumers’ total medication and healthcare product needs through the pharmacist’s recommendations based on prescriptions, purchases or customer profile.

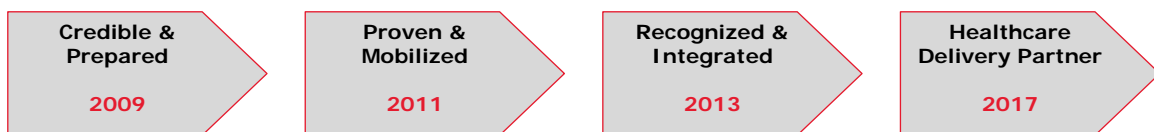
In addition to the services delivered directly to consumers by primary care pharmacists, the model includes Consumer, Service, and Outcomes Data services. These services focus on reporting detailed and aggregate data related to patients, services, and outcomes to prescribers, payers, funders, and consumers.

Transforming Community Pharmacy

Changing the community pharmacy business and practice model will be one of the most important and significant undertakings the industry has ever pursued. Even with the plan to leverage existing initiatives, the recommendations will transform the way community pharmacy is perceived and its position within the healthcare system. This is not a quick fix and it is recognized that the recommendations included in this final report will be the subject of vigorous discussion and would be disruptive to the current environment. As such, the transformation requires:

- A belief in the power of the profession to make an impact on health care outcomes
- A desire to participate in the medication management market space
- A willingness to collaborate with community pharmacy stakeholders in new ways and to expand pharmacy services in a manner that benefits the profession and preserves the economic viability of community pharmacy
- A commitment to invest in the realization of the future vision both philosophically and financially
- A demonstration of leadership to energize and engage community pharmacists in the vision of an enhanced future.

With these in place, the journey developed for the transformation of community pharmacy moves through specific states over the course of a ten year or more timeframe. Each year represents the completion of significant milestones that will mark the progress of community pharmacy in achieving its new vision of pharmacy practice.



Although it will be a long journey to successfully transform community pharmacy, action must be taken now to seize the opportunity in the market. Community pharmacy will ensure that it is taking the necessary steps to progress along its journey and begin addressing unmet market needs by conducting the following activities over the next several months.

- Communicate with and engage association membership in shaping the future
- Expand the external stakeholder relationships to prepare for the transformation and to identify collaboration partners
- Outline the detailed elements of the plan with a specific focus on legal and regulatory considerations
- Outline specific tactics pharmacies can implement short term to begin the process of conducting business in a new way including:
 - A Personal Health Records offering to consumers
 - A relationship management training and tracking initiative
 - A systematic customer interaction process to implement with existing consumers receiving dispensing services

Now is when the market is being defined and the healthcare system is looking for answers to pressing needs related to medication management. The cost of waiting to start this transformation is too great to ignore. It is the difference between surviving under protection of legislation and flourishing under a market oriented model that drives improved patient outcomes, increased profits, and better economic sustainability.