

Financial Challenges and Your Pharmacy: How to Take on the Giants

Out of all the challenges thrown at independent pharmacies today, those most likely to keep you awake at night are financial – especially as you continue to take on retail giants. In fact, these challenges are so pressing, they continue to come up in legislative and analyst forums year-round.

The top three challenges include increased direct and indirect remuneration (DIR) fees, shrinking reimbursements, and more attention to performance rankings than ever. Here's how to meet these challenges head-on.



The U.S. Administration released the contents of its highly-anticipated final drug pricing rule on May 23. While the drug pricing rule, much of which will go into effect on January 1, 2020, aims to lower drug prices and reduce out-of-pocket costs for Medicare Part C and Part D beneficiaries, it does not address pharmacy DIR reform.

While this isn't the news your pharmacy was hoping for, you can still take an active role in helping to reduce these fees, maintain reimbursements, and protect performance rankings using these tips:

- **Do Understand the Contracts You Sign** – Most contracts that include DIR fees contain language that's meant to confuse. Be proactive in understanding the specific language included in your contracts so you can understand the DIR liability you're accepting.
- **Offer Medication Therapy Management** – Medication Therapy Management (MTM) is an in-depth, high-quality service that helps develop and strengthen relationships between your pharmacy and patients. When high-risk medications are managed, the pharmacist can touch on the importance of adherence with their patients, reducing the risk of non-compliance and increasing the likelihood of positive patient outcomes. This also helps to increase or maintain reimbursements.
- **Offer Medication Synchronization** – This is a big one. Medication Synchronization (MS) is another way to steer patients in the direction of medication adherence. This service reduces the patient's risk of missing doses and forgetting refills while also working to develop better relationships and communication with customers. Medication synchronization is another tool that can help you decrease the risk of medication non-compliance and increase positive outcomes. And it's one to which you should pay close attention.
- **Cultivate Medication Adherence** – One of the biggest factors in a patient's readmission to a hospital setting is medication non-compliance. When medications aren't taken on time, or as prescribed, their efficacy is greatly inhibited or negated all-together. By implementing MTM and MS services, your pharmacy can reduce the likelihood of readmission and increase the chances of a patient recovering from (or successfully managing) their illness.

- **Improve Patient Outcomes** – As stated in the preceding suggestions, improved patient outcomes can be a huge player in how a pharmacy's performance might be ranked, ultimately affecting how DIR Fees are incurred. MTM and MS services help improve medication adherence and can help keep you on track with metrics, which can lead to an increase in positive patient outcomes.

Closing Thoughts

While new legislation is slow to drive DIR reform, you can help protect your pharmacy's financial health and defend your competitive position against retail giants with forethought and planning. At Keystone, we will continue to monitor legislative changes and are dedicated to helping you maintain the health of your patients and improve your pharmacy's bottom line.

If you're not a Keystone member yet, join us. If you are a member, make sure you're leveraging your benefits and maximizing your pharmacy's success. You can contact Keystone via email info@kpparx.com or by phone 215-464-9892.