

Dramatic Increase In Patient Assistance Recovery Fuels Savings of Nearly \$1M for Health System

CHALLENGE

- Pharmacy managers sought to optimize patient assistance program (PAP) recovery activities for medications and devices for uninsured and underinsured patients.

SOLUTION

- Truman Medical Centers (TMC) implemented the Pharmacy Healthcare Solutions RecoveRx™ patient assistance program solution. The turn-key solution allows the dedicated Pharmacy Healthcare Solutions (PHS) Representative to identify, create applications for, submit, track and appeal denials of claims.

OUTCOME

- Exceeded year-one recovery projections by 195% to support safety net mission.
- Patients receive prescribed care while lowering their financial burden.
- The third-party RecoveRx PAP solution eliminates staffing worries common to in-house programs (i.e. personnel leaving, or being laid off).

The Truman Medical Centers (TMC) network is a major provider in the Kansas City area. Truman's integrated health system cares for approximately 1 in 5 adults in Jackson County, Missouri.¹ From asthma to urology, TMC's hospitals, clinics and long-term care facilities provide the full spectrum of healthcare services.



Better. For Everyone.

TMC hospitals are safety net hospitals. So it's no surprise that their uninsured payer mix is 22 percent—over three times the state's average.² In 2017 alone, TMC delivered \$101 million in charity care for the uninsured and under insured in its community.³

CHALLENGE

Supporting Uninsured and Underinsured in the Kansas City Area

According to the American Hospital Association, hospitals in the United States have provided more than \$576 billion in uncompensated care to patients since 2000⁴. That includes figures for inability to pay, plus the cost of uncompensated drugs and medical devices.

"We're sensitive to uncompensated care costs because we serve a relatively large population of uninsured and underinsured patients," said Scott Zweerink, PharmD, Director of Outpatient Pharmacy Services and 340B Program Compliance. "The high cost of some meds and devices can lead patients to go without. And of course, uncompensated costs impact our bottom line and safety net mission."



“The PHS RecoveRx PAP Solution quickly turned up our recovery program with no capital and personnel commitment from us. Our underinsured patients get the care they need, at a lower cost. The significant savings we’ve garnered supports our safety net hospital mission.”

Joel Hennenfent, Pharm. D, MBA, BCPS, FASHP
System Director of Pharmacy Services
Truman Medical Centers

In the past, TMC pharmacy managers had limited success recovering uncompensated drug costs. “We weren’t doing it well across our organization,” recalled Zweerink. “We lacked the resources, time and expertise to realize the significant recovery potential of our patient population.”

SOLUTION

Pharmacy Healthcare Solutions (PHS): Patient Assistance Program (PAP) RecoveRx Solution

AmerisourceBergen PHS professionals recognized TMC’s recovery challenge and approached Zweerink with a solution. “Their proposal checked key criterion for us, including the quick implementation of a turn-key recovery solution with no investment in capital or personnel.”

PHS specialists worked with TMC pharmacy managers to implement the PHS Patient Assistance Program RecoveRx Solution. It accesses TMC’s electronic medical records system to allow the dedicated PHS Patient Assistance Representative to identify, create and submit recovery applications on behalf of eligible patients. To speed the process, all applications are administered electronically. An automated workflow tracks claims and flags denials for the Manager to appeal.

“The PHS Representative handles every step in the recovery process, in real time, for nearly every manufacturer’s PAP,” explained Zweerink. “That frees us to assign an FTE (full time equivalent) to other tasks.”

OUTCOME

Combining Excellent Underinsured Care with Significant Cost Recovery

The implementation of the RecoveRx Solution helped TMC quickly garner a number of benefits.

Dramatic Increase In Recoveries in 10 Months

The RecoveRx implementation ramped up quickly to exceed pro forma recovery projections by 195 percent in the first year. A RecoveRx report revealed that in the first full year, TMC managers realized recoveries totaling nearly \$1.6 million. “That helps us achieve our safety net mission while reducing or eliminating the financial burden that our uninsured patients experience,” said Zweerink. Of the total, \$78,717 was retro recovery from the previous year that TMC had not captured on their own.

“PHS has helped more than 140 health systems of all sizes in 32 states save over \$37 million annually in product costs.”⁵

Amy Flowers
Director of Operations
AmerisourceBergen, Pharmacy Healthcare Solutions

Uninsured Patients Receive Needed Care at Lower Cost

“The PHS RecoveRx PAP solution helps our patients receive the best care they can while reducing their financial burden,” said Joel Hennenfent, PharmD, MBA, BCPS, FASHP, System Director of Pharmacy Services at Truman Medical Centers. “That contributes to better outcomes as well as lowering their financial stress.”

Dedicated PHS Experts Run and Oversee Recovery Program

"By implementing the PHS turnkey solution, we turned it up much faster than we could have done by doing it internally," said Hennenfent. "Our Patient Assistance Representative consistently receives high marks from TMC personnel, and we credit her with helping us to exceed our pro forma recovery projections."

Hennefent also praises PHS's PAP solution for eliminating staffing concerns. "I don't have to worry about in-house program managers leaving, or having to trim staff. We know that the program will continue to perform."

Overall, Hennefent likes that, "the PAP solution allows us to optimize this service for both our patients and our organization without consuming scarce resources."



For more information about PHS Patient Assistance Programs, contact us at 877-892-1254, email solutions@amerisourcebergen.com or visit www.pharmhs.com.

¹ Embry, David; Wilins, Karlyn, "VitalKC, The Gratitude Report, Fiscal Year 2017," annual report for the Truman Medical Center Charitable Foundation, 2017, p. 4.

² Ibid.

³ Ibid, p. 7.

⁴ "American Hospital Association: Uncompensated Hospital Care Cost Fact Sheet," AHA, December, 2017.

⁵ Flowers, Amy, PharmD, RPh, Director of Operations, Pharmacy Healthcare Solutions, "Serving the under insured: How patient assistance programs have evolved to support his growing need," AmerisourceBergen, 2017, p. 4.

Pharmacy Healthcare Solutions

1300 Morris Drive
Chesterbrook, PA 19087
877-892-1254 | www.pharmhs.com

