



# How to Build a Successful Specialty Pharmacy

**Advice to help your organization navigate the specialty pharmacy journey.**

**Picture This:** A patient in your health system has a rare disease that requires costly medication for treatment. The patient's prescription is sent to an outside pharmacy to be filled, but they realize that it requires prior authorization (PA). So, the pharmacy sends it back to the clinic, who performs the PA and then sends it back to the pharmacy.

This back-and-forth process takes a few weeks, and communication with the patient gets lost in the shuffle. They don't pick up their prescription because they don't know it's been filled, and now a month has passed without treatment for the patient.

This is clearly a negative outcome for both the patient and the health system.

**A Solution:** Situations like the one described here are all too common for many organizations that don't have a specialty pharmacy. Building an internal specialty pharmacy allows you to improve the quality of care for your patients by taking control of the entire medication access and fulfillment process. And because you're filling those prescriptions internally, your organization can benefit from a new revenue stream as well.

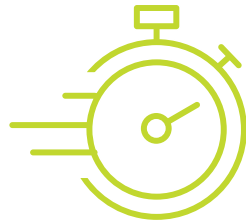


## Specialty Pharmacy Benefits



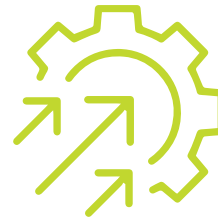
### Provide holistic patient care

Own every aspect of your patients' care, from diagnosis to treatment and prescription fulfillment.



### Treat patients faster

Reduce patient treatment time by taking control of medication access and fulfillment.



### Increase clinic efficiency

Enable clinic staff to focus more time on patient care – and less time on the prior authorization process.



### Manage costs and drive revenue

Bring prescription fulfillment revenue into your organization and manage specialty pharmacy costs.

The process of building an internal specialty pharmacy can be complex, and for many organizations, it's a daunting task. But here at Visante, we are helping a growing number of health systems build successful programs that add real value for patients while demonstrating strong ROI. In this guide, we'll provide some tools to help you get started on your own specialty pharmacy journey.

## Foundational components of a specialty pharmacy

Specialty pharmaceuticals typically require unique fulfillment and patient care support services. Common disease states served by a specialty pharmacy include oncology, gastroenterology, and rheumatology, among others. Here are the basic components of a specialty pharmacy:

### » High-cost, high-revenue medications

Specialty pharmacy products represent less than 5% of total prescription volume, but account for over 50% of the nation's drug spend. Due to those high costs, pharmacy profit margins can be substantial for health systems that establish a specialty pharmacy.

### » Medication access and affordability services

It's critical for specialty pharmacies to establish front-end services to ensure patients can gain access to these expensive medications – and that they can afford them.

### » Comprehensive pharmacist clinical management

Robust clinical pharmacist services are essential for a specialty pharmacy's success. These services should be designed and tailored to the individual disease state with appropriate therapeutic outcomes.

### » Advanced logistics for patient convenience

Specialty pharmacies deal with disease states that impact a smaller percentage of the population. Since these patients are likely further away from your organization's location, they will typically receive medication via home delivery. So, it's important to have shipping logistics services in place to ensure your patients have a convenient and reliable means of medication delivery.

### » Accredited services

Payer and manufacturer networks have specific standards in place to ensure high quality and service for patients. If you want your specialty pharmacy to be included in specific networks, pursuing accreditation with the appropriate accrediting bodies is highly recommended.

### » Coordination of care between pharmacy and providers

Because specialty pharmacies serve patients that require expensive medications, it's vital to ensure there's good collaboration and communication across the pharmacy that's dispensing the medication as well as the care team that's caring for the patient.

## Key things to consider before getting started

There are many factors to consider when you're preparing to build an internal specialty pharmacy. Here are some key questions to ask yourself before starting on your journey.

- ? What staffing resources will we need for a successful program?**

Most specialty pharmacies will require a combination of both operational and clinical care resources to be successful. This will likely include fulfillment pharmacists and pharmacy technicians as well as clinical pharmacists and medication access staff. Another consideration is how you'll manage these resources across multiple clinic locations.
- ? What accreditation standards will we pursue?**

The Utilization Review Accreditation Commission (URAC) is one of the most renowned accreditation organizations in the industry. URAC's Specialty Pharmacy accreditation can be completed in as little as six months with the required documentation. Learn more about the program [here](#). Additionally, a growing number of networks and payers are requiring dual accreditation. Groups such as the Accreditation Commission for Health Care (ACHC) and The Joint Commission (TJC) can help organizations meet this dual requirement.
- ? How will we handle medication access support?**

Visante highly recommends having a centralized team that supports all PA activities, because it allows you to take control of the entire process so you can streamline it and gain efficiencies. A dedicated team will also help you drive speedier treatment and higher-quality patient care by taking this administrative burden off your clinic staff.
- ? How will we manage 340B program access?**

For organizations that qualify for the 340B program, an organized approach to compliance as well as financial optimization is important to help stretch resources to care for the most vulnerable patient populations. Also, with some drug manufacturers providing specific drugs through Limited Drug Distribution channels, a 340B contract pharmacy strategy for these drugs is important to maintain continuity of care.
- ? How will we manage site of care issues?**

A number of specialty drugs are administered via infusion, so it is important for organizations to have a defined strategy linking their specialty pharmacy program and their infusion services. This often includes a centralized and cohesive approach to prior authorizations for all medications across the systems. As more payers work to adopt a "site neutral payment strategy," it is also critical that organizations have a defined infusion strategy to treat their patients regardless of a payer's preferred site of care.

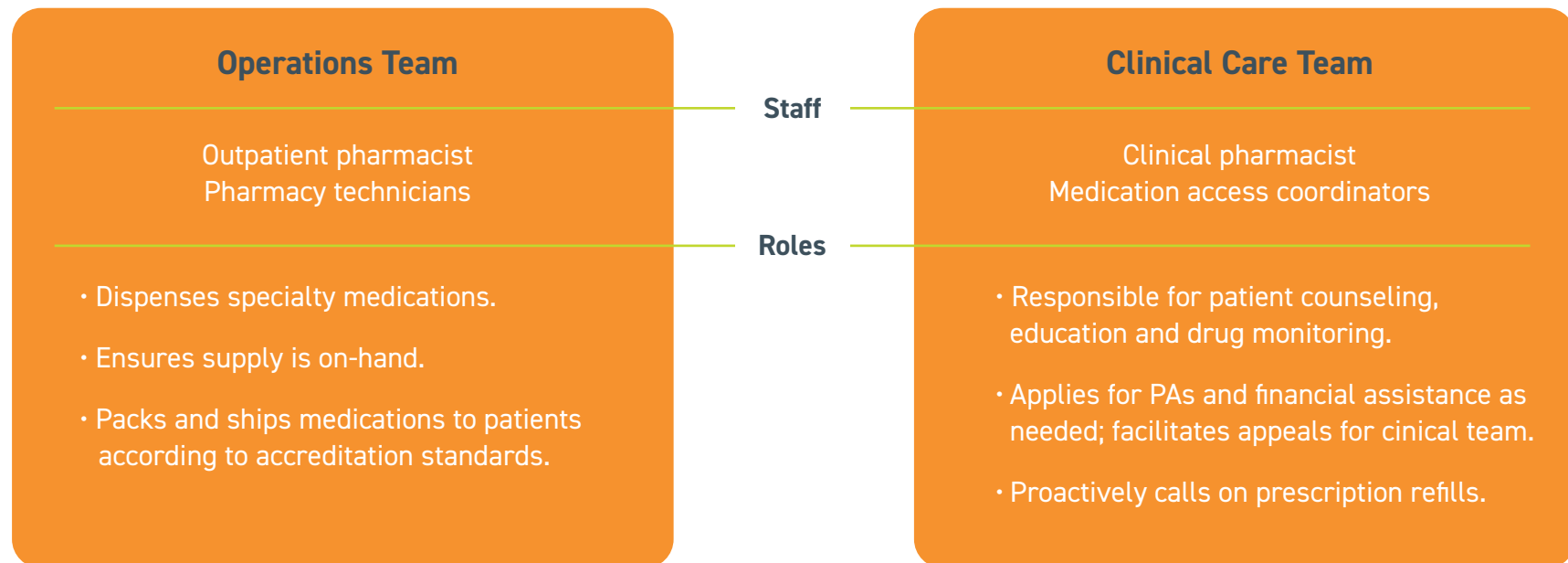
## A health system use-case

To help illustrate the key considerations and program components we've outlined above, let's examine a specific scenario. Our use-case is a large Midwest health system specializing in pediatrics, with over 50 primary and specialty locations, 7,000 employees and 1,300 medical staff members.

This organization has operated an outpatient pharmacy for many years, and they're looking to expand that platform to include specialty pharmacy. By adding these services, the health system aims to increase patient care quality and provider satisfaction – and enhance financial performance.

### Program model

The model that worked best for this health system was a structure that featured two branches – one focused on operational execution, and the other focused on clinical care. This helped to ensure fulfillment ran smoothly and that patients had access to the medications they needed.



## Services

This health system chose to focus not only on the core services found in most specialty pharmacies, but on additional services that were critically important for the populations it serves. Because many patients are from underserved areas and use Medicaid for insurance, the organization knew that services like family education, financial support and free medication delivery would increase the program's success. This illustrates how a successful specialty pharmacy can come in many shapes and sizes and also how 340B discounts can be applied to extend care to the most needy populations. The approach that's right for you depends on the unique needs of your patient populations.

### CORE SERVICES



Benefit Investigation



Complete therapy management program



Care team collaboration

### ADDITIONAL SERVICES



Patient advocacy support



Clinical education & support



Free medication delivery



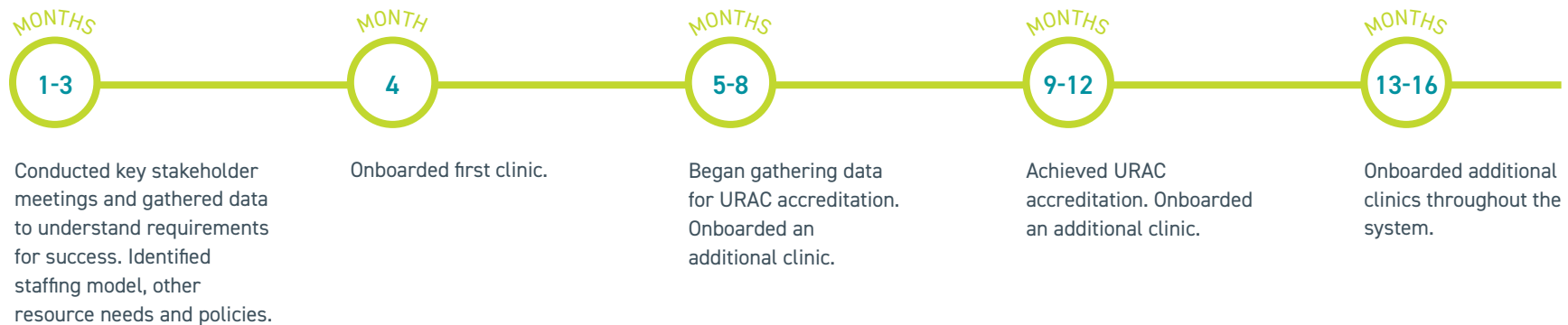
Targeted clinical interventions



Financial assistance

## Timeline

When it comes to building out your specialty pharmacy, one of the most critical things we recommend to our clients is to start small. This particular health system started its specialty pharmacy with just one clinic. It was a great way to capitalize on small wins that helped them drive momentum and build a more robust program over time. This also gave the organization time to collect the data it needed for accreditation before launching more broadly. Here's what their timeline looked like:



## Measuring your success

What does success look like for a specialty pharmacy? When we work with clients who are looking to start their own internal program, we recommend evaluating these essential KPIs to help benchmark and evaluate performance.

### Operations KPIs

- Prescription turnaround time
- On-time delivery rate
- Dispensing/distribution accuracy
- Provider satisfaction score

### Prior Authorization KPIs

- PAs completed
- PA approval rating
- Average turn-around time

### Patient KPIs

- Patient satisfaction score
- Patient quality of life score
- Medication adherence

### Financial KPIs

- Net income
- Pharmaceutical expenses
- Labor expenses



In this guide, we've covered the foundational components of a specialty pharmacy, as well as some key things that you should consider before getting started.

We outlined how one health system approached building out their own specialty pharmacy, and we offered some key metrics that you can use to evaluate your success.

You may be thinking that launching a successful specialty pharmacy sounds like a lot of work. And you're right – it is!

Here at Visante, we have the expertise to help guide you throughout the journey. We help clients quickly grow and sustain strong performance. Many have experienced at least a 10:1 ROI through our partnership. Email [solutions@visanteinc.com](mailto:solutions@visanteinc.com) or call (866) 388-7583 to speak to one of our team members.

