



There's a way[™]

Debra B. Garza
Divisional Vice President
Government Relations

July 1, 2011

VIA ELECTRONIC SUBMISSION

Ms. Julie Hamos
Director
Illinois Department of Healthcare and Family Services
201 S. Grand Avenue East
Springfield, IL 62763-0001

RE: Illinois Coordinated Care Program, Key Policy Issues

Dear Director Hamos,

Walgreen Co. ("Walgreens") is pleased to submit comments on the above captioned Coordinated Care Discussion Paper and appreciates the opportunity to support the Illinois Department of Healthcare and Family Services ("HFS") in the development of coordinated care programs for Medicaid beneficiaries.

Walgreens operates over 7,600 drugstores in all 50 states, the District of Columbia and Puerto Rico. We have over 600 drugstores in the State of Illinois, 142 of which are in the City of Chicago. 95% of the entire population of the City of Chicago lives within one mile of a Walgreens store. Our Chicago area stores are within one mile of 98% the city's Hispanic population and 91% of its African American population. Each day, Walgreens provides nearly 6 million customers in communities across America the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice. Walgreens scope of pharmacy services includes retail prescription fulfillment, specialty drug fulfillment, outpatient infusion services, medical facility (hospital) health care services, mail order prescription services, and respiratory therapy services. These services improve health outcomes and lower costs for payers including employers, managed care organizations, health systems, pharmacy benefit managers and the public sector. Walgreens pharmacies dispense more prescriptions to Illinois Medicaid beneficiaries than any other pharmacy in the state.

Walgreens Take Care Health Systems subsidiary is the largest and most comprehensive manager of worksite health centers and in-store convenient care clinics, with more than 700 locations throughout the country. In Illinois, we have 56 Take Care Clinics, 45 of which are in the greater Chicagoland area. Take Care Clinics are professional walk-in health care centers open seven days a week, with extended evening and weekend hours, giving patients the option to access high-quality health care services when it's convenient for them. These clinics are staffed by highly educated and trained nurse practitioners and physician assistants with clinical oversight and collaboration from physicians creating a true partnership

between physicians, nurse practitioners and community based health care services. Walgreens Take Care Clinics in the Chicago area are in both urban and suburban locations.

How comprehensive must care be?

As front line leaders in health care, both pharmacies and retail convenient care clinics can provide high quality and affordable services that will improve the health outcomes of Illinois Medicaid beneficiaries. We urge HFS to ensure that these non-traditional alternatives to higher-cost health care settings are included in its coordinated care programs. We believe that doing so will further HFS goals of implementing coordinated care programs that lower costs while providing patients' convenient access to high quality care, improving the patient experience, and increasing patient engagement. By shifting less complicated services such as immunizations and health screenings to pharmacies and retail convenient care clinics staffed by nurse practitioners, primary care providers are better able to focus on more critical health concerns. Specifically, Walgreens can contribute the following to a coordinated care program:

- **Convenient Access**

As research from the Congressional Budget Office on geographic variation in health care spending indicates, providing acute care in a high cost setting like an emergency room, urgent care center, physician's office or inpatient facility is not a cost effective way to deliver care in a community and diverts critical resources needed for higher complexity/high severity conditions.¹ In fact, a recent study found that 7.9 percent of ER visits can be diverted to a retail convenient care clinic.² We feel that care delivered through highly trained, licensed clinicians like nurse practitioners and pharmacists can leverage community based resources to not only lower costs but to provide care closer to the patient's home which is where most care fragmentation occurs. Unlike disparate systems, integrated pharmacy and retail convenient care clinics can better ensure that care that is delivered in one part of the country is consistent to that in another through the use of consistent clinical guidelines and enhanced technology.

- **Targeted, Point of Care Interventions**

The New England Healthcare Institute has estimated that the United States wastes up to \$290 billion each year because Americans don't take their medications properly and adhere to their prescription drug regimen.³ This troubling statistic suggests the need to include pharmacists in multi-disciplinary care models in order to assist patients in understanding the importance of taking their medication as prescribed. Pharmacist interventions such as Medication Therapy Management (MTM) are particularly useful in promoting patients' adherence and education, preventing adverse drug events, and identifying appropriate and cost-effective therapies such as generic medication substitution opportunities.

Pharmacists are best situated to analyze and coordinate a patient's medication therapies and counsel patients on their medication regimen. The pharmacy has a record of all medications the patients fill at the pharmacy, including not only medication ordered by the primary care practitioner but also medications ordered by other specialists or practitioners who may not be participating in the coordinated care program. The value of these interventions is evident in the results of several scientifically sound studies. In North Carolina, one-on-one MTM consultations between 31,000 seniors and their pharmacists as part of the "CheckMeds NC" program saved an estimated \$34 million in health care costs and resulted in the avoidance of numerous health

¹ Congress of the United States, Congressional Budget Office. Geographic Variation in Health Care Spending. <http://www.cbo.gov/ftpdocs/89xx/doc8972/02-15-GeogHealth.pdf>. Accessed June 2, 2011.

² R. Weinick, R. Burns, A. Mehrotra. Many Emergency Department Visits Could Be Managed At Urgent Care Centers and Retail Clinics. *Health Affairs*. 2010; 29(9); 1630-1636.

³ New England Healthcare Institute. Thinking Outside the Pillbox: A System-wide Approach to Improving Patient Medication Adherence for Chronic Disease. Research Brief. August 2009.

problems. The return on investment was nearly \$14 saved for every \$1 invested in the program. The Asheville Project, a diabetes program in Asheville, North Carolina, involved community pharmacists providing MTM services for city employees. This program resulted in a decrease in total direct medical costs between \$1,622 and \$3,356 per patient per year. In addition, the city saw a 50 percent decrease in the use of sick days by participants. The corresponding increase in productivity brought an estimated \$18,000 in annual savings to the city.

- **High Quality, Low Cost Health Care Services**

Both pharmacists and nurse practitioners can provide low cost, high quality health care services. Walgreens and our Take Care clinics offer convenient access to wellness and preventive services such as important health screenings and immunizations. During the 2010-11 flu season, 27,000 certified Walgreen immunizers administered over 6.4 million vaccines nationwide. Over the same period, 475 certified Walgreen immunizers administered over 65,000 flu shots in the City of Chicago. Walgreens now administers more vaccines than anyone in the United States outside of the federal government. Retail pharmacy has emerged as the channel of choice for immunizations – according to the CDC, 20% of all flu vaccines given during the 2010-11 season were administered by pharmacists.⁴ Walgreens and Take Care clinics also offer CLIA-waived health tests for chronic conditions such as high blood pressure, high blood cholesterol, and diabetes. Between November 2009 and November 2010, we administered 300,000 blood glucose and hemoglobin A1c health tests in our community drugstores. Of those patients tested, 25% were found to be at risk. Every patient tested had the opportunity to consult with a Walgreens pharmacist or Take Care nurse practitioner about their results and appropriate next steps

- **Healthy Resources for Illinois Communities**

Walgreens is looking to the future by re-engineering our pharmacies in order to permit pharmacists the time to serve patients in the innovative new ways discussed above. In addition, we have plans to offer health education for the communities we serve. We've also started an initiative in the City of Chicago to bring fresh groceries to areas the United States Department of Agriculture has designated as 'food deserts'. In select stores across the city, we now offer more than 750 new food items, including fresh fruits and vegetables, frozen meats and fish, pasta, rice, beans, eggs, whole grain cereals and other healthy meal components. We are currently reviewing opportunities to bring this expanded food selection to other food deserts across Illinois and the rest of the country.

- **Contractual Arrangements**

In order to get a full picture of the impact of a coordinated care program, we encourage HFS to ensure through contractual agreements that all participating providers in the coordinated care program have access to data necessary to demonstrate the benefit they provide. Walgreens must have access to the full picture of a patient's medical spend to demonstrate the benefits our services have upon health outcomes and spend – pharmacy data alone is not enough to prove the value of these interventions. Further, we discourage HFS from negotiating any type of "master" agreement for entities participating in coordinated care networks. We believe a master agreement could limit providers' flexibility and, in turn, negatively impact their ability to innovate. A master agreement could also prevent HFS from fully benefiting from competition between providers. Finally, we encourage HFS to ensure that coordinated care networks allow "any willing provider" to administer services to Medicaid beneficiaries. By allowing all providers willing to

⁴ Centers for Disease Control and Prevention, National Center for Immunization and Respiratory Disease. Influenza 2010-2011 Season: Vaccine Coverage, Safety, and More. http://www.preventinfluenza.org/NIVS_2011/1-weinbaum_flu_coverage.pdf. Accessed June 2, 2011.

accept reasonable terms and conditions to provide services, HFS will ensure beneficiaries have adequate access to providers in their communities.

What should be appropriate measures for health care outcomes and evidence-based practices?

In order to fully realize the benefits of a coordinated care program for Illinois Medicaid beneficiaries, Walgreens urges HFS to assess coordinated care programs based on both patient-centered criteria and specific quality measures. Below, please find our suggestions for the appropriate patient-centric and quality measures for pharmacies and retail health clinics.

- **Patient-centric Criteria**

Walgreens recommends that coordinated care programs provide targeted pharmacy interventions, such as regular health testing and consultations like MTM, to all Medicaid beneficiaries who suffer from a single chronic illness (e.g. diabetes). In the coordinated care setting, the results of these interventions will be shared with primary care providers to inform future care planning.

In addition, HFS should require coordinated care programs to ensure that all beneficiaries are offered access to care for acute illness or injury when and where they want it, including weekday evenings and during weekends at locations other than the emergency room. Patient use of emergency rooms after regular business hours or on weekends for acute, non-emergent illness can not only result in unacceptably long wait times for the patient, but also increased costs to the Medicare program. If coordinated care program is required to arrange for after hours and weekend access to care, such access can only result in timely care for the patient and cost savings for the programs.

- **Quality Performance Standards**

Walgreens recommends that HFS require coordinated care programs to follow patient safety and medication adherence guidelines developed and endorsed by the Pharmacy Quality Alliance (PQA). Critical measures from the PQA include “Use of High Risk Medication in the Elderly” (HRM), “Drug-Drug Interactions” (DDI), “Diabetes Treatment”, and “Diabetes Medication Dosage” (DMD). For prevention, treatment, and health management services provided to Medicare beneficiaries in retail clinics, Walgreens urges HFS to utilize HEDIS measures to compare the quality of care provided by different providers in the Medicaid program.

To what extent should electronic information capabilities be required?

An important component of patient-centeredness is the use of new and emerging technology to improve access and efficiency of care. Walgreens recommends that providers within a coordinated care network be encouraged to utilize technology to improve the patient experience. Walgreens recognizes the value of e-prescribing to improve patient safety, reduce health care costs, and increase efficiency. At the point of care, with the patient’s consent, the prescriber can access the patient’s medication history and review their prescription formulary and eligibility. This valuable information can be used to check for potentially harmful drug interactions or allergies, increase generic utilization, allow the prescriber to select medications that meet therapeutic guidelines and are cost effective for the patient, and improve patient convenience and first-fill compliance. In addition to e-prescribing, technology that enables patient access to providers from their home or office are invaluable. Walgreens.com offers 24/7 access to a pharmacist for live web chats. Use of these technologies increase patient engagement with their own health care and equip them with the necessary information to make sound choices.

What is your organization’s preliminary anticipation of how it might participate in coordinated care?

The best indicator of how Walgreens might participate in coordinated care programs for Illinois Medicaid is our current participation in coordinated settings in the private market. We provide the examples below not to limit ourselves from more expansive participation in the future, but to spur creative thoughts at HFS and clearly demonstrate that our vision is actionable today.

- **Northwestern Memorial Physicians Group Coordinated Health Care Program**

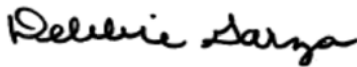
In a collaborative model designed to improve patient outcomes and enhance physician decision-making, Walgreens and Northwestern Memorial Physicians Group (NMPG) of Chicago developed a coordinated health care program. The program is for Walgreens and NMPG employees who have NMPG as their primary care provider and focuses on those with hypertension, diabetes, asthma, and high cholesterol. Patients with these high-cost chronic disease states receive point-of-care counseling or an intervention as part of the integrated services model. Information from interventions is provided to each patient's primary care physician, giving physicians access to important clinical information from Walgreens. For each disease state, Walgreens pharmacists and NMPG physicians have collaboratively developed an intervention plan, with sessions comprised of a series of questions designed to maximize adherence and help patients best understand their disease.

- **ACCESS Community Health Network**

In order to improve seasonal flu immunization rates among ACCESS health patients during the 2010-11 flu season, Walgreens and ACCESS co-developed print and recorded call marketing materials for use by ACCESS to remind and encourage beneficiaries to get their flu shots. When ACCESS patients presented at specific Walgreens locations, they received a personalized message about the Walgreens and ACCESS collaboration. Records of flu shots administered to ACCESS patients at Walgreens were electronically distributed to supplement current fax-based physician notification letters.

Walgreens thanks you again for the opportunity to provide input as HFS begins to establish a coordinated care program for Medicaid beneficiaries. We are proud to serve Illinois Medicaid today and look forward to expanding our role to provide high quality health care services to improve the lives of Illinois Medicaid beneficiaries. If you have any questions or would like to discuss the ideas outlined in this letter, please do not hesitate to contact me directly. I can be reached by email at debbie.garza@walgreens.com or by phone at (202)393-0414.

Sincerely,



Debbie B. Garza
Divisional Vice President
Government Relations