



## PERSONALIZATION AT THE PHARMACY

CAN IT SOLVE THE ADHERENCE PUZZLE?

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## Abstract

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Medication adherence is a great opportunity for retail pharmacies. “Personalization,” marked by a mix of analytics and digital initiatives, can be a major contributor for driving medication adherence by engaging the customer at the right time and through the right channel. Given the movement in the industry towards outcome-based services and the advancement in connected technology, there are enough potential benefits to take bold new steps towards better adherence.

This paper talks about how we can leverage personalization concepts to show positive movement on adherence.

## The adherence puzzle – Why are retail pharmacies involved?

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Medication adherence has been one of the perennial problems of the Healthcare industry.

Non-adherent behaviors have been related to different causes, including rising financial costs of continuing care, lack of immediacy and evidence of benefits, multiple prescriptions, side-effects, relationship with providers and lack of information pertaining to patient’s concerns. However, a large part of the adherence problem is behavioral and requires the right intervention at the right time from a patient’s perspective. For most chronic and so-called “lifestyle diseases” (like diabetes and hypertension),

the effects of non-adherence are slow to manifest and patients need to be constantly engaged to ensure adherence.

According to a major operating unit of the US health department, almost half of all Americans, approximately 133 million people, live with at least one chronic disease. Traditionally, adherence for these patients has been the domain of Payers and policy makers with the focus on cost reduction. However, Providers like retail pharmacies are the direct beneficiaries of adherence initiatives, both in terms of a revenue increase and a new connect with patients.

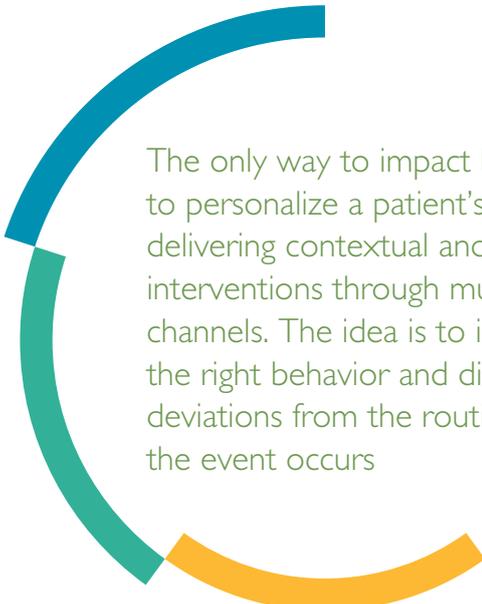
**The priority for health and wellness retailers should be to evolve the “optimum care” model that manages people’s health conditions and prevents development of new complications.**

## How can personalization help?

Technology advances in wearable devices and cognitive systems provide new avenues to personalize a patient's experience. Across the world, patients are setting aggressive fitness goals and appreciate being in a community that can keep nudging them towards achieving their goals. Tracking a patient's data across platforms and wearable devices will create a 360 degree view of the patient, which can be used to contextualize messages for patients and Providers, enhance the quality of pharmacy conversations and broaden health outreach initiatives. At a minimum, retailers should take into account socio-economic factors, emotional state, health beliefs and habits, feelings about diseases, self-efficacy and outcome expectations, before taking the personalization route.

### Consider these cases

- The message to a patient who has just learned that he has diabetes should be very different from the message to someone who has been a diabetic for 10 years and has recently been non adherent
- Instead of warning a customer days after the dose has been missed, the impact will be much greater if the outreach is before it becomes a habit
- Patients differ in their goals and approach to managing a chronic condition and the interventions must reflect their personal needs, profile and preferences. Patients easily lose interest (and eventually trust) if the engagement is "too much or too little"
- The ability to have a more informed discussion at the pharmacy will transform the effectiveness of the pharmacy counseling sessions



The only way to impact behavior is to personalize a patient's journey by delivering contextual and targeted interventions through multiple channels. The idea is to incentivize the right behavior and discourage any deviations from the routine right after the event occurs

This approach to better health by connecting a patient's ecosystem with a superior experience through personalization is what we call **Connected Care**. As the name suggests, a **Connected Care** approach involves bringing all the patient data to one platform from diverse sources (pharmacy data, connected devices, social, partner ecosystem), running it through an analytical system that will create alerts and events based on rules and reaching out to different stakeholders (patient, physicians, pharmacists, etc.) based on the events.

## Challenges to personalization for pharmacies

The ability to bring all the relevant information to one platform was a challenge in the Healthcare sector as different stakeholders in the Healthcare value chain were reluctant to share their data due to privacy and competition-related concerns. For example, physicians were reluctant to share data with pharmacies as there were no monetary benefits for building the framework and retail clinics were seen as new competition. However, over the last decade, rising costs and consumerization of Healthcare, proliferation of connected devices and a favorable regulatory environment have driven these entities to aggregate data from all available sources. **In effect, the challenge to personalization has moved from lack of data to abundance.**

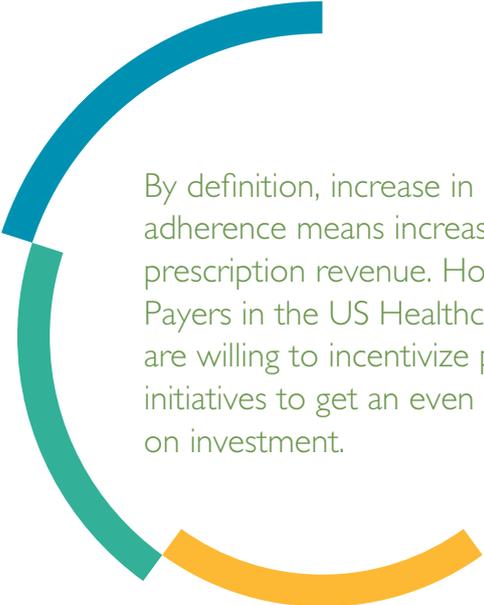
The abundance of data is driving the development of new health centric cognitive systems and behavioral analytics models. The challenge is to remain relevant and add value in every conversation with the customer. By virtue of their unique position as neighborhood health destinations, retail pharmacies have an opportunity to spearhead this transformation by positioning themselves at the center of this personalized approach to delivering health outcomes.

Retail pharmacies need to be careful of how they plan and execute this level of personalization. The system needs to have high accuracy and performance standards to make sure the interventions are contextual and delivered well within the required time. Retailers need to be sensitive to the privacy and security of information collected and delivered in order to avoid additional legislations encumbering this process. Retailers must also tailor the delivery process and content to their own strategic strengths, customer engagement models, compliance risk exposure and stress on their unique selling points.

## Return on investment (roi) models for retail pharmacies

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- **Increase in Rx Sales** - The most obvious ROI is through the increase in prescription sales and decrease in cases of Rx abandonment
- **Optimize Operations** - With better intelligence into a patient's refill requirements, pharmacies can better manage inventory and reduce wait times at the pharmacy. With accurate and timely insights into the demand for refills and pharmacy services, pharmacy wait times may even go down to zero and they can explore alternate delivery models like central fill and load balancing with much greater flexibility
- **Value-based Insurance Plans (VBID)** - Value-based insurance design is becoming popular in the industry and is also predicted to be a big differentiator in health exchanges. Many large employers use some form of value-based insurance design strategy in designing health benefits for employees. Most of these plans have a monetary incentive for those who show demonstrable improvement on pre-defined adherence parameters
- **Government Programs** - CMS programs like the Medicare Star Program provide incentives to Payers to improve on adherence parameters. Most of these Payers pass a percentage of these payments to the pharmacy, depending on adherence initiatives
- **Customer Loyalty and Promotions** - There is no better customer experience than better health. By partnering on the journey to better health, pharmacies will reinforce their brand value and customer centricity. Additionally, pharmacy and lifestyle-related promotions will be personalized to drive sales



By definition, increase in medication adherence means increased prescription revenue. However, Payers in the US Healthcare industry are willing to incentivize pharmacy initiatives to get an even faster return on investment.

## Conclusion

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Medication adherence is a major contributor to Healthcare costs and will continue to be a challenge in the immediate future. After a decade of trying out monetary rewards and options of penalties, technology has now advanced to a stage where there is an opportunity to partner with the patient for better outcomes.

Retail pharmacies, as the neighborhood Healthcare destination, have a pivotal role in leading this transformation and in the process bolster their position in the Healthcare value chain. However, adapting to this new personalized and care-oriented approach will mean embracing new business practices and trying out new technologies. With the right alignment of economic, regulatory and business opportunities, this is the perfect opportunity for retail pharmacies to take bold new (and personalized) steps towards solving the adherence puzzle.

## About the Authors

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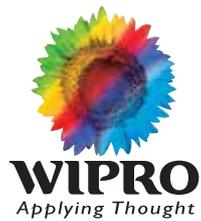
Somraj Choudhary leads the Health and Wellness consulting practice for Wipro Retail. He has over 10 years of experience, working with leading pharmacy retailers and benefit managers. He specializes in designing strategic, innovative solutions for health and wellness retailers across the globe.

## About Wipro Ltd.

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