By Dana Darger, RPh

Using Split-Billing Software
to Simplify 340B Ordering

We have been a 340B provider for five years. We use 340B split billing software to manage the process of identifying eligible prescriptions. The software reviews patient status, identifies drugs used in an outpatient setting, and records those drugs eligible for reordering under our 340B contract. The software automatically determines which prescriptions are 340B qualified, freeing our staff from the onerous task of reviewing each prescription individually to determine its eligibility.

It can be challenging to determine a prescription's eligibility due to the multiple decision points that must be considered by the pharmacist or technician (Figure 1). When more than one staff member is making these determinations, it is difficult to guarantee consistency of decision-making, which can become a compliance issue.

Software Choices
There are multiple software products available, many of which take different approaches to managing 340B eligibility. Enrollment-based programs are one choice, wherein the provider enrolls the patient in the program and provides a prescription card to the patient. The patient then presents this card at every pharmacy visit, reminding the pharmacist to review each prescription for eligibility. This is an excellent choice for community care settings. For larger health-systems, keep in mind that the providers must be on board with the enrollment process in order to build a successful program. Also consider that pharmacy staff must be assigned to the task of determining individual prescription eligibility.

With a completely automated solution, ensuring consistent decision-making is simple. The rules are built into the system for each decision point and the software determines whether the patient has a qualifying event and if the provider is qualified. Once those points are confirmed, the claim is sent to the third party payor for adjudication. This allows for real-time data collection, making it easy to order replacement products at the 340B price.

Some wholesalers provide software programs that can be very convenient to implement, as there is no need to develop interfaces between the program and the wholesaler's ordering system. However, keep in mind that if you choose to move to a different wholesaler, the cost to convert the data may be significant. With an independent software program, there is no challenge to changing wholesalers.

Photo courtesy of Talyst
Automated solutions ensure consistent decision making.

Inpatient vs. Outpatient
Because 340B is an outpatient program, we want to be sure we are capturing every potential outpatient in the hospital. In the pharmacy, it is difficult to ascertain if a specific surgery patient is having ambulatory surgery, and thus should be considered as an outpatient. Emergency department patients, who have not been admitted, should also be considered as outpatients.

Software programs that review ADT (Admission, Discharge, Transfer) data have the added bonus of identifying a higher number of qualified patients than software programs that review patients solely by their discharge status. For example, if a patient enters the emergency room at 6:00 pm and is admitted to the hospital at 10:30 pm, any services provided during those four and a half hours should be treated as outpatient services.

Audit Trail
A complete audit trail is key to ensuring that every submitted prescription meets the qualification requirements. When evaluating a software solution, review what data is collected and how easy it is to retrieve. You should be able to access data that shows what prescriptions were filled, by date and by patient as well as the total quantities filled.

To test the data, randomly pull five to ten prescriptions. Review both qualified and unqualified prescriptions to ensure eligibility is being determined appropriately. You want to be confident that in the case of an audit, you can easily prove that your prescriptions are qualified. Likewise, you want to be confident that you are capturing as many qualified prescriptions as possible.

Monthly Analysis
It is a good idea to conduct a monthly analysis of 340B savings and report this data to the administration. Simply compile the list of the month's 340B eligible drugs and plug them into your GPO contract to determine what the cost would have been without the discount. This year we will spend approximately $22 mil-

Photo courtesy of eAudit Solutions, Inc.

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Figure 1. Rapid City Regional Hospital's (RCRH) 340B Eligibility Decision Tree
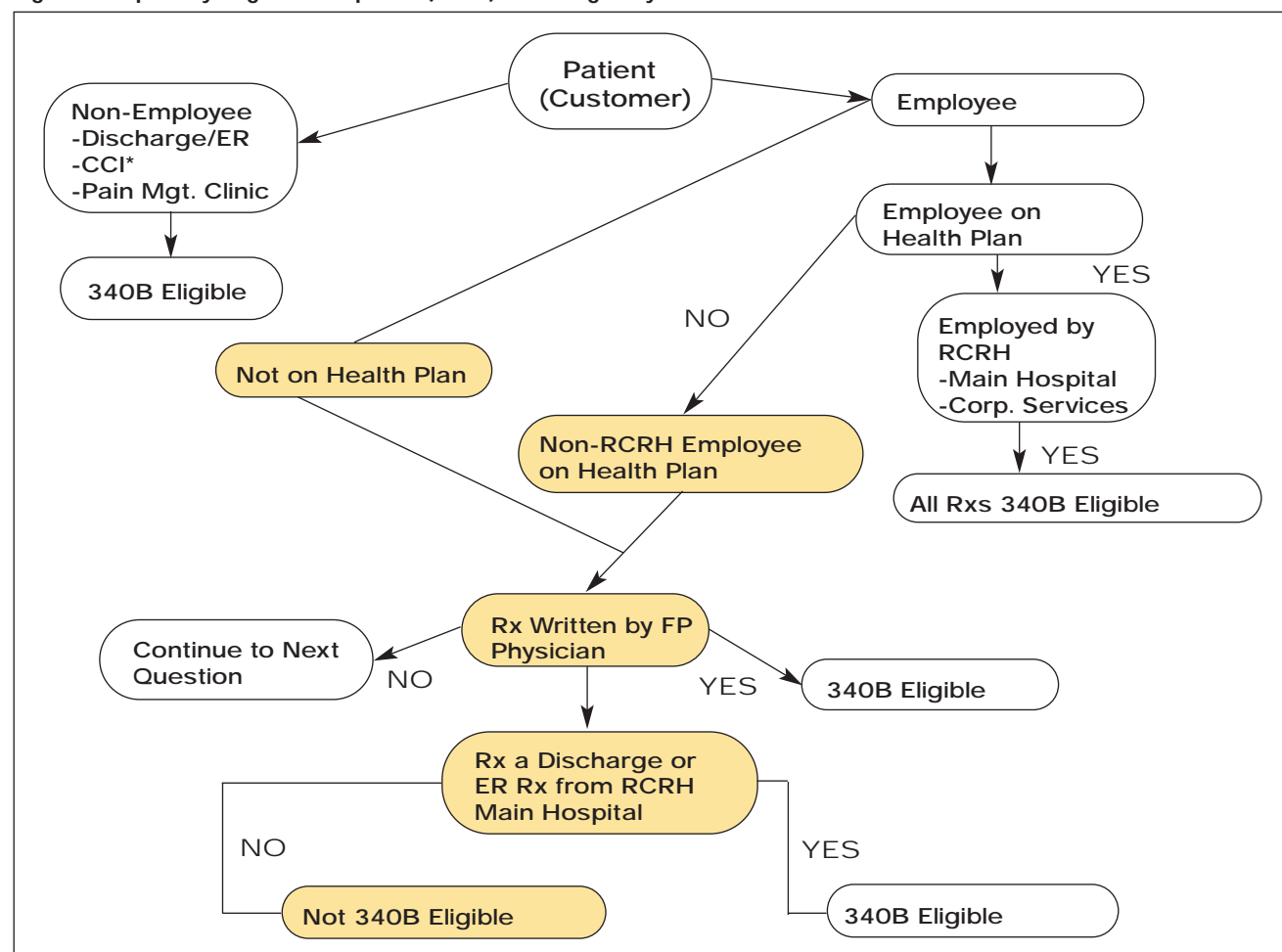
All ED discharge Rxs and all Rxs written by FP (Family Practice Residency Clinic) physicians are 340B eligible.
*Outpatient Cancer Center

lion on drugs and we project our 340B savings will be $6.5 million. The majority of these savings come from our "closed-door" outpatient pharmacy and the ambulatory oncology clinic.

Vendor Evaluation

Once you have identified the key features you require from the software, it is important to evaluate the vendors on their service levels. Companies that provide on-site implementation assistance can ease the burden on already over-taxed pharmacy and IT departments. Price is the final consideration and staffing requirements must be considered as part of this evaluation. The full cost of any program includes the purchase and maintenance costs along with the FTE costs to support the program. Consider negotiating a flat annual fee for the software service versus the traditional fee per prescription processed.

To perform due diligence, conduct interviews of reference sites. I would recommend only interviewing those sites that have completed their implementation within the last year. Because software changes quickly, the experiences of an earlier adopter may no longer be relevant. Lastly, bring your IT department into the conversation as early as possible to address connectivity and back-up issues.

Conclusion

The potential savings from a well-run 340B program can be significant. However, because of the program's inherent complexity, managing 340B discounts can become time-consuming and thus costly. Automating the process not only simpli-

fies your workflow, but it also allows the savings to go directly to your bottom line.

The recipient of a BS in pharmacy from South Dakota State University, Dana Darger, RPh, has served as the director of pharmacy for Rapid City Regional Hospital since 2002 and has worked in hospital pharmacy since 1983.

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WHERE TO FIND:
340B Software Vendors

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Vendor	Reader Service Number
American Healthcare	90
Amerisource Bergen	91
Cardinal	92
eAudit Solutions	93
McKesson	94
Sentry	95
SunRx Discount	96
Talyst	97

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