

A Bundle of Joy: How Does the Trend of Bundled Payment Affect the Pharmacy Benefit?

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I love going to conferences, as it gives me time to both learn and reflect on new ideas and challenges in healthcare. This spring, *The American Journal of Managed Care* (from the same publisher as *The American Journal of Pharmacy Benefits*) held a conference focusing on Patient-Centered Diabetes Care. One of the presentations at the conference covered new models in payment, including bundled payments, as we transition from traditional fee-for-service medicine. This is one of those areas that holds great potential to address a number of issues, but also creates a number of questions and challenges that need to be addressed. To date, bundled payment models have primarily focused on surgical areas.

Why are we discussing bundling for chronic conditions? Historically, the United States has paid for care through a volume-and-service model. We all know that this is not sustainable. Payments through the bundling model would reimburse a lump sum on the basis of what would be expected as good quality care. The Commonwealth Fund's publication on bundling payments opined that this model has the potential to better integrate and coordinate care.

As the issue of bundling is discussed, many questions arise, including how to address the heterogeneity of the population with a condition, how to define what is covered under the bundle, who controls the finances and the care of the patient, and how to aggregate data.

The goal of this column is not to discuss these issues in specific terms. But we are in a sort of "experimental phase" with many of these new models, and we will not have all the answers from the start. What we do need to

have is inquisitiveness, transparency, and the willingness to work together to address these issues openly in a way that leads us over time to the best method of meeting the goals of a bundled-payment model.

We should also look at places where bundling already exists, like in Special Needs Plans associated with CMS, and in countries such as the Netherlands that have had bundling for years.

I am lucky enough to be part of an organization that takes its healthcare leaders abroad to learn about the healthcare systems in other countries and bring some of that knowledge back to the United States in order to address the challenges we face here. TPG-International Health Academy went to the Netherlands in 2013 and learned about their use of "care groups." These care groups bundle care to pay for treatment of a condition over a set period of time. This initiative has been in place for several years, and it continues to evolve as they learn more about how to operate the program more efficiently and effectively. We also learned that there is not uniformity in what is covered, or the associated costs—they too continue to learn.

I am excited about moving forward with new payment models and plan designs. My hope is that we will all be willing to share both our successes and failures during this journey. Learning from one another—whether in the United States or abroad—will help us find answers in a more efficient and effective manner.

I hope that those of you who have started down the path of bundled payments will share your experiences with me. I will be waiting to hear from you. [ajpb](#)

