HMOs Have Stake in Quelling Anger at Drug Store Counters

Dissatisfied customers have a tendency to lash out and not be very discriminating about their targets. Prescription: Reduce the hassle.

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You think patient satisfaction with the health system is marginal in the doctor’s office after a decade of managed care? Welcome to the pharmacy counter.

Perhaps nowhere can the ire of the consumer be seen and heard more clearly than where prescription drugs are sold. It is here that customers may find either satisfaction or annoying hassle. And there can be direct links between the drugstore experience and the health of the patient, as well as his satisfaction with the full health care plan.

Value of loyalty

The Ortho Biotech 2001 Retail Pharmacy Digest collected data from survey forms filled out by 18,162 people who are the primary purchasers of medications for their households.

Conducted last May and June, the survey offers some insight into how managed care organizations can help facilitate customer satisfaction.

The value of loyal customers has been quantified and that information exploited by many service industries. A 1994 study published

Who shops for prescription drugs?

By sex

Health care concerns most often fall on female shoulders

By age

People 45–54 do the bulk of the shopping for medications

SOURCE: ALL CHARTS IN THIS ARTICLE ARE DERIVED FROM THE ORTHO BIOTECH 2001 RETAIL PHARMACY DIGEST
in the *Harvard Business Review* indicated that a 5-percent increase in customer loyalty can increase profits from 25 percent to 85 percent. Loyalty strengthens business growth by establishing a guaranteed customer base, accurate budgeting, strategic planning, and lower marketing costs.

Pharmacists see this dynamic in operation every day. They are working longer hours under difficult situations, resulting in less patient-counseling time. According to a survey in the July 2001 issue of *Drug Topics*, the biggest source of stress for pharmacists is third-party insurance hassles — including prior authorization, rejected claims, and nonstandard prescription insurance cards.

Pharmacies are feeling pressure, according to Dennis Beauchene, vice president for pharmacy at Hannaford Brothers, a grocery chain in the Northeast, because they realize that providing efficient customer service gives them a competitive advantage. Still, “a huge chunk of their time is consumed by third-party card issues that take time away from customer service, which is the most important thing customers want from them as pharmacists. I think this frustrates our pharmacists, and it frustrates me.”

According to the Ortho Biotech survey, pharmacy acceptance of third-party insurance plans is a key determinant of customer satisfaction. Customers were moderately satisfied with having their prescriptions filled accurately, the information provided about their medications, the ability to speak with a pharmacist, and getting the proper medication.
Managed care’s role

HMOs are not immune to the repercussions this frustration may produce, considering that, according to a 2000 study by the U.S. Health Resources and Services Administration, prescription drug coverage through third-party payers more than doubled from 37 percent in 1990 to 75 percent in 1998.

Scott D. Cook, CEO of Intuit, a computer software company, uses the terms “apostles” to describe customers who like a product or service so much that they’re willing to “convert” others. However, dissatisfied customers seem to have even more influence, speaking out against a service at almost every opportunity.

In an economy where employers strive to maintain good, competent employees, the last thing an HMO wants is to have workers complaining to their human resources departments about a health benefit package that makes it difficult for them to obtain the prescription or over-the-counter medications that they need. This issue strikes to the heart of some of the biggest HMOs in the nation.

Clinical implications

When customers do not appreciate the importance of dealing with a single pharmacy, it has implications for clinical safety as well as compliance. For example, patients may use multiple pharmacies based on location or dissatisfaction. If the different pharmacies are from ABC chain, there is a greater likelihood of picking up drug interactions. If the patient goes to stores not linked by a computer system or pharmacy benefit plan, there is a greater chance for interactions or other serious complications.

Health insurance most often used by respondents who named a health insurance plan

The Blues would seem to have a lot riding at the pharmacy counter

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<td>Medicare</td>
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Time it takes to fill new prescriptions

For all customers who filled prescriptions in the past 12 months

- Less than 30 minutes (50%)
- 30–60 minutes (18%)
- 1–4 hours (16%)
- 4–24 hours (3%)
- One day or more (13%)
Service dissatisfaction can also lead to skipped prescriptions to avoid hassles or long waiting times. On the other hand, pharmacist-patient relationships that are strong can improve compliance and self-management.

Hypertension, diabetes, cholesterol management, and asthma are opportunities to provide patient education and counseling.

These chronic illnesses necessitate constant patient education to increase adherence to the medication regimen.

Employers and health plans are seeking to shift the cost of brand medications to the employee or plan members. This ongoing trend will increase the administrative burden on pharmacists as well as the financial burden on customers. The combined effect could be slower service and customer dissatisfaction — a concern that the retail pharmacy industry is well aware of.

“Filling a prescription in a timely manner is obviously one of the biggest issues with consumers today,” says Edith Rosato, RPh, the vice president for pharmacy affairs at the National Association of Chain Drug Stores. “One area we work on in the NACDS is helping our members enhance the role of the technician so that someone other than the pharmacist can perform certain responsibilities — such as processing insurance claims — to free the pharmacist to spend more time with the patient, counseling the patient, and, hopefully, expediting the delivery of a prescription.”

Health plans can aid in this effort — thereby reducing the chances that any frustration at the pharmacy desk won’t be directed back at them — by pushing for a reduction in the pharmacy hassle factor.