


# 2019 IMPACT REPORT: PRESCRIPTION PRICE TRANSPARENCY

A photograph of a male doctor with a beard and a blue stethoscope around his neck, wearing a white lab coat over a grey shirt and a blue patterned tie. He is gesturing with his right hand while speaking to a patient whose back is to the camera. The setting is a clinical office with a white wall and a scale in the background.

Prescription price transparency offers patients and prescribers the power of informed decision-making at the point of care. It improves outcomes, reduces costs, increases medication adherence and enhances the care experience between doctor and patient.

The data we present in this report reflects a strong and growing demand for prescription price transparency at the point of care. For example, the number of prescribers leveraging patient-specific information on drug costs and therapeutic alternatives in their **electronic health record (EHR) more than doubled in 2019**, from roughly **100,000 in January** to nearly **250,000 in November**<sup>1</sup>.

# AN ERA OF MASSIVE CHANGE AND CHALLENGE

Increasing healthcare consumerism—the call for greater transparency, ease and control throughout the care experience—along with increasing costs, encouraged policymakers to put healthcare (like medication costs) front and center on the political agenda. At the same time, public and private industry responded, making headlines with new products, services and strategic alliances.

In short, the costs and complexities of American healthcare held national attention in 2019. This drove unprecedented consumer, legislative and technological demand for change. And it propelled us to continue working toward prescription price transparency to ease the burden for patients and the people who care for them.

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## SIGNIFICANT, INCREASING COSTS

Today, prescription spending takes up **17%** of all spending on goods and services provided directly to patients,<sup>2</sup> and prescription spending growth is projected to average **6.3% every year over 2017-2026.**<sup>3</sup>

## MEDICATION NON-ADHERENCE

A \$10 copay increase raises the likelihood of **prescription abandonment by 10%.**<sup>4</sup> Moreover, non-adherence causes up to **10% of hospital admissions**<sup>5</sup> and **one-third of adverse drug events** resulting in admission.<sup>6</sup>


## PRIOR AUTHORIZATION HEADACHES

**64% of clinicians report waiting at least a day** for prior authorization processing.<sup>7</sup> Some nurses reported **waiting nearly four days** before they could even start working on a prior authorization.<sup>8</sup>

## PHYSICIAN BURNOUT

Too many physicians (**roughly two-thirds**) are **anxious and burned out.** Of these physicians, family doctors report the **highest burnout rate (47%).** The culprit? Look to the administrative burden: More than half of physicians cited bureaucratic tasks as a significant factor.<sup>9</sup>





*"We had patients with sticker shock at the pharmacy counter if the cost was too high. They'd either abandon their prescription or change it at the pharmacy."*

—GARY B. SLAUGHTER, M.D.,  
CHARLOTTE DERMATOLOGY

Real-time benefit and prior authorization tools help to address these issues, as they did for Charlotte Dermatology and Aurora Health Care (now part of Advocate Aurora Health). After Charlotte Dermatology adopted Real-Time Prescription Benefit, Dr. Slaughter observed, "Now we can see how much the prescription costs right at the point of prescribing. It saves both time and money for the patient."<sup>10</sup> At Aurora Health Care, nurses spent less time waiting to start prior authorizations—a **decrease of nearly two-thirds**—and staff overtime was **reduced by more than 50%**<sup>11</sup> when they implemented the centralized Electronic Prior Authorization system.





# THE MEASUREABLE IMPACT OF PRICE TRANSPARENCY TOOLS

In 2019, Surescripts Real-Time Prescription Benefit gave an increasing number of prescribers access to benefits-based, patient-specific information. With up-to-date benefit and cost information, including up to five drug alternatives and three channel options within their EHR workflow, prescribers made more informed care decisions when and where it mattered most: at the point of care.

## IMPROVE EFFICIENCY

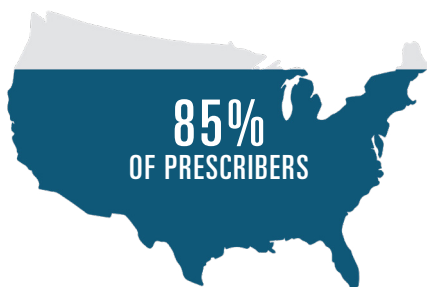
Cost and coverage information was returned to prescribers in their EHR workflow in **less than two seconds** (on average).<sup>12</sup>

## SAVE TIME

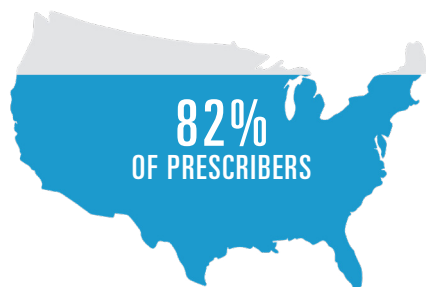
During one month, when prescribers using **Real-Time Prescription Benefit** were presented with a prescription requiring prior authorization, along with an alternative without a prior authorization, **they switched the drug 25.5%** of the time. This resulted in significant time savings, as most prescribers report waiting at least 1 business day for a single prior authorization decision from their patient's health plan.<sup>13</sup>

## REDUCE COST

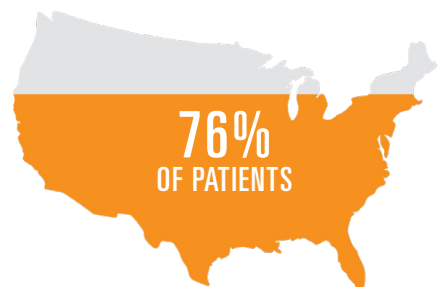
Real-Time Prescription Benefit saved one patient as much as **\$8,032 on a single prescription**.<sup>14</sup>



HAVE EHRs SIGNED ON FOR REAL-TIME PRESCRIPTION BENEFIT

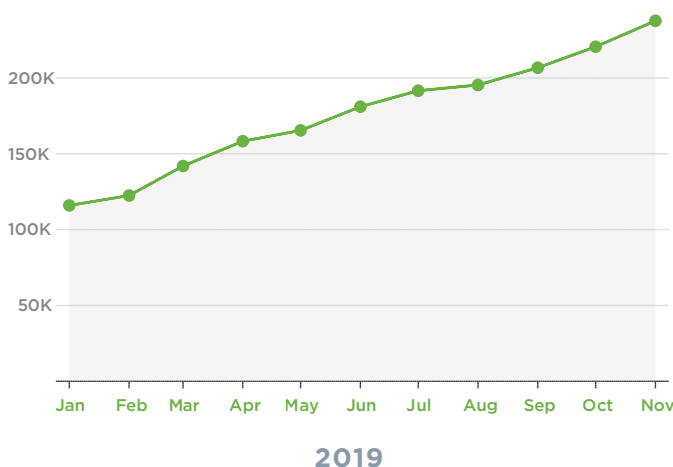


HAVE EHRs SIGNED ON FOR ELECTRONIC PRIOR AUTHORIZATION

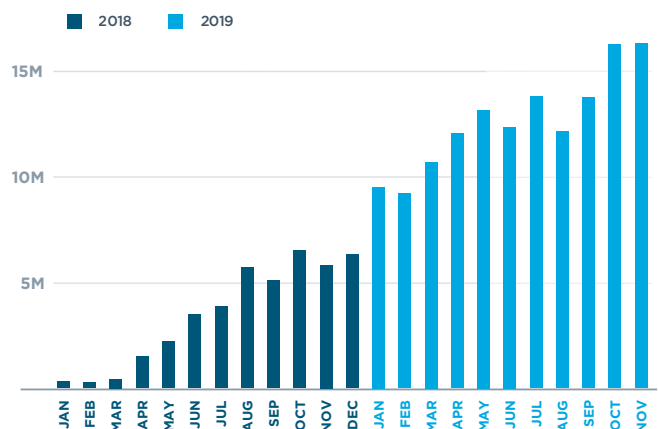


ARE COVERED BY PBMS SENDING DATA TO EHRs FOR REAL-TIME PRESCRIPTION BENEFIT

## NUMBER OF PRESCRIBERS USING REAL-TIME PRESCRIPTION BENEFIT MORE THAN DOUBLED



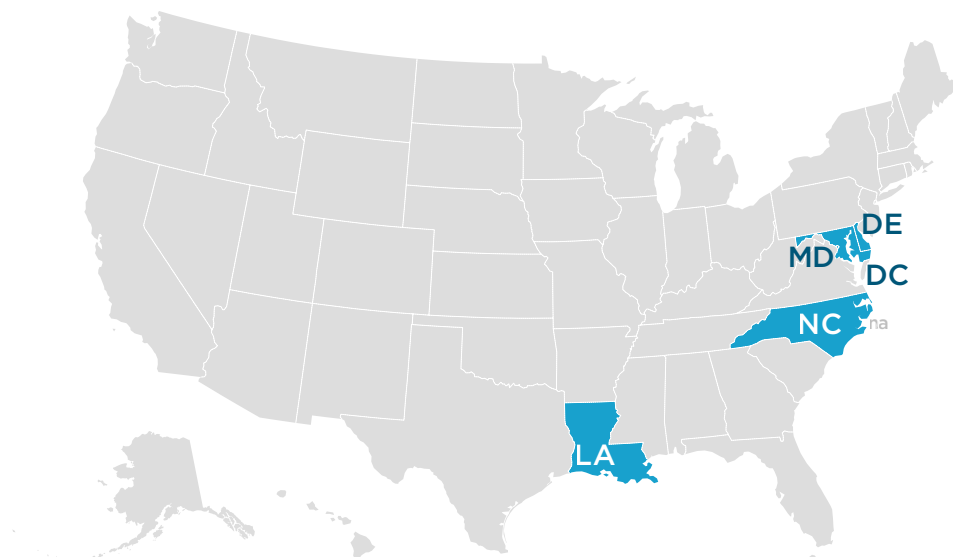
## MONTHLY NUMBER OF BENEFIT CHECKS AT POINT OF CARE INCREASED 150%



# A NATIONWIDE LOOK AT WHO'S USING REAL-TIME PRESCRIPTION BENEFIT

## TOP 5 LOCATIONS FOR PROVIDER ADOPTION

(% of e-prescribers utilizing Real-Time Prescription Benefit)



DC	49.9%
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MD	48.5%
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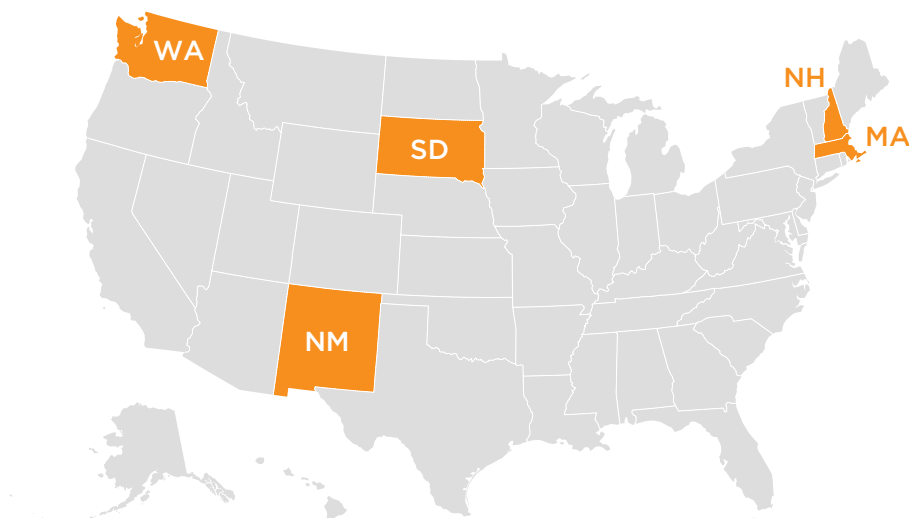
DE	44.3%
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NC	36.4%
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LA	36.2%
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## BOTTOM 5 LOCATIONS FOR PROVIDER ADOPTION

(% of e-prescribers utilizing Real-Time Prescription Benefit)



NH	11.1%
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WA	10.2%
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NM	9.3%
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MA	8.8%
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SD	8.3%
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# PRESCRIPTION PRICE TRANSPARENCY IN 2020

There are few, if any, signs that the pace of change in American healthcare will slow. If anything, the pace of change will accelerate. Driven by healthcare consumerism, public sentiment and technological progress, the demand for prescription price transparency will only intensify in the months ahead.

Medicare Part D prescribers, for example, will be working throughout 2020 to adopt at least one

electronic real-time benefit tool by January 1, 2021, as required by the Centers for Medicare and Medicaid Services (CMS).<sup>15</sup>

As our industry evolves, it's up to us—every participant of the Surescripts Network Alliance—to continue to earn and keep the confidence of the prescribers, pharmacists and patients we serve. And we look forward to doing just that in 2020.



Our purpose is to serve the nation with the single most trusted and capable health information network, built to increase patient safety, lower costs and ensure quality care. Since 2001, Surescripts has led the movement to turn data into actionable intelligence, and convened the Surescripts Network Alliance™ to enhance prescribing, inform care decisions and advance the healthcare industry.

1. Surescripts internal network data.
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4. Dana P. Goldman, Geoffrey F. Joyce and Pinar Karaca-Mandic, "Varying Pharmacy Benefits With Clinical Status: The Case of Cholesterol-lowering Therapy," The American Journal of Managed Care 12, no. 1 (January 2006), <https://www.ajmc.com/journals/issue/2006/2006-01-vol12-no1/jan06-2244p21-28>.
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13. American Medical Association, "2018 AMA Prior Authorization (PA)," <https://www.ama-assn.org/system/files/2019-02/prior-auth-2018.pdf>.
14. Surescripts, "2018 Impact Report: Prescription Price Transparency," December 2018, [https://surescripts.com/docs/default-source/intelligence-in-action/prescription-accuracy/2\\_2019-price-transparency-impact-report-data-brief.pdf](https://surescripts.com/docs/default-source/intelligence-in-action/prescription-accuracy/2_2019-price-transparency-impact-report-data-brief.pdf).
15. Surescripts, "Federal Government Issues Final Rule: Part D Plans Must Adopt a Real Time Benefit Tool," May 2019, <https://surescripts.com/news-center/intelligence-in-action/price-transparency/federal-government-issues-final-rule-part-d-plans-must-adopt-a-real-time-benefit-tool/>.