

Development of a performance-based pharmacy payment framework for Australian community pharmacy

Background. Rising costs have led healthcare payers to seek better value by linking payments to outcomes. While performance-based payments (PBP) have been introduced to US community pharmacy, in Australia the outcome of dispensing has not to date, been assessed in determining the level of remuneration for pharmacists.

Objectives. To utilise US pharmacy PBP experience to develop and evaluate a framework that links Australian community pharmacists' remuneration to performance-related measures.

Methods. A statement of the key elements of PBP was prepared based on US experience. Semi-structured interviews incorporating the US concepts and local knowledge of Australian community pharmacy funding and operation were conducted with a purposeful sample of individuals selected according to a socio-ecological framework of Australian community pharmacy. Based on analysis of the interviews, a conceptual framework for performance-based funding was developed and subsequently evaluated by focus groups of pharmacists.

Results. Interviews conducted with 23 consumers, pharmacists, proprietors, and people in pharmacy policy, regulation and funding determined the current Australian funding model promotes dispensing speed and volume over quality and patient outcomes. Funding is not linked

to patient or drug complexities or the need to adapt the interaction with the patient based on these complexities. Support for patient adherence as a performance measure varied.

The proposed funding framework separates payment for dispensing into a commercial payment to the pharmacy and a professional component to the dispensing pharmacist. The level of the professional component would be adjusted based on drug and patient risk factors, quality-related inputs applied at the time of dispensing or outcome measures such as adherence, bio-markers or satisfaction. Focus groups supported change to the funding model but identified significant political and cultural barriers to a PBP model.

Conclusion. Performance-based payment for dispensing in Australia is technically feasible however will not be a direct reflection of the US model.