

# MCP PARTNERSHIP FORUM



No.1 — 2021

## **EXECUTIVE SUMMARY**

# Racial Health Disparities: A Closer Look at Benefit Design

As disparities due to race, ethnicity, and socioeconomic factors persist in health care, the COVID-19 pandemic brought these disparities to the forefront. In an effort to identify potential structural issues within the current formulary and benefit design processes that can lead to racial health disparities or inequities—and propose viable solutions to reduce these disparities, AMCP convened a virtual multidisciplinary stakeholder forum March 23–24, 2021. The forum included more than 40 experts representing payers, pharmacy benefit managers, integrated delivery systems, health economists and analysts, patient advocates, academicians, biopharmaceutical manufacturers, and other key stakeholders from the managed care setting.

Several principles emerged from the forum discussion as key in efforts to mitigate racial health disparities:

- Acknowledge that structural racism exists and impacts the provision of health care, including the formulary development and benefit design processes.
- Integrate proactive strategies to improve equity, beginning with education and training throughout health care organizations.
- View patients holistically and understand the compounding effect of social determinants of health.

#### WATCH FOR FOLLOW-UP

The Partnership Forum is just the beginning of AMCP's efforts around racial health disparities and the role of managed care pharmacy. Our next steps will be to:

- Publish a proceedings document on all findings and recommendations from the Partnership Forum in an upcoming issue of AMCP's Journal of Managed Care + Specialty Pharmacy (JMCP) and disseminate it widely to decision makers around the country.
- Host a forthcoming webinar to report these findings and recommendations.
- Refocus AMCP's strategic plan to identify the role that managed care pharmacy can play in recognizing and reducing racial health disparities.
- Provide educational opportunities around racial health disparities and examples to prevent them from occurring.
- AMCP will review and update current policies
  to reflect the need for changes in the practice
  of managed care pharmacy and public policy to
  address racial health disparities.

#### **CONTACT INFO**

675 N Washington Street | Suite 220 Alexandria, VA 22314

703 684 2600 | www.amcp.org | @amcporg

continued on next page

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With these principles in mind as a foundation, the following priority areas and interventions were highlighted by participants:

- Evaluate systems through a lens of increasing equity. Involve partners, such as brokers and other stakeholders in updating benefit design, taking into consideration the evolving landscape of higher cost specialty medications and populations that have different outcomes in certain populations. Allow benefit flexibility to ensure access. Establish a program of incentives and disincentives for pharmacists, physicians, and providers that participate in equity efforts.
- Improve gaps in data. Develop clinical trial data to intentionally increase diversity in enrollment, trial design, and subgroup reporting, resulting in the ability to identify heterogeneity in patient response. Collect patient data such as demographic information, while acknowledging the need to balance utilization of more robust data with privacy concerns.
- Address diversity and equity in formulary development. Specifically, provide annual training for P&T Committee members. Add a member with expertise in equity issues to the committee or create a subcommittee to continuously evaluate decisions. Incorporate diversity data into drug monographs and allow patients to share their experiences and feedback.
- Consider patient interactions with the system. Strengthen interactions between payers, providers, and patients to assist with the relationship between benefits and utilization management. Utilize real-time benefit checks, electronic prior authorization, and other tools to reduce disadvantages to some groups of patients.
- Recognize cost-related factors that affect equity. Investigate opportunities for variable cost-sharing and
  premiums, such as a sliding scale based on income. Offer an evidence-based preventive medication benefit with
  a lowered or zero-dollar copay. Consider cost-sharing models for disease states where minority populations are
  disproportionally affected.
- **Commit to patient-centered care.** Engage in activities to build trust in the provision of health care in minority populations. Develop patient outreach programs to improve health and health insurance literacy. Coordinate care to include pharmacists, community partners, and health navigators. Share best practices and case studies in *JMCP*.

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