

# Employers Bolster Medication Adherence Initiatives

Given the millions of dollars at stake, large employers are implementing more sophisticated strategies to encourage employees to stick with their medication. Nearly half of those recently surveyed are considering lower co-pays as one approach.

**By Charlotte Huff**

**S**ome employers, after years of simply helping cover the cost of prescription medications, are experimenting with financial and behavioral strategies to persuade workers to actually take the drugs, in the hope that a lower investment upfront will ward off strokes and other costly medical problems later.

The reasons that some people fail to regularly take prescribed medication are complex and still not fully understood, say researchers and other experts. But employers are increasingly reluctant to take a back seat, paying for premiums without following through, says Chuck Reynolds, president of employer practice for the Benfield Group, which compiled a 2009 survey and related report on medication compliance initiatives for the National Pharmaceutical Council.

Among the strategies employers are using: reminding employees to take their medicine through e-mails and phone calls, offering group educational sessions, and reducing employees' out-of-pocket payments to encourage them to both start and stick with the drugs.

Companies also plan to measure the return on investment, according to the Benfield Group's survey data from 75 large self-insured employers. Within the next 18 months, 49 percent plan to evaluate the impact of proposed interventions on medical and pharmacy costs, according to the May 2009 survey. Only 21 percent already were conducting such analyses.

Not surprisingly, big money is involved. The inability of some people to stick with prescribed medication, along with other problems such as poor prescribing decisions, may cost the health system as much as \$290 billion annually, according to a report released last year by the nonprofit New England Healthcare Institute. For a midsize employer with \$10 million in annual medical claims, those drug-related costs could translate into as much as \$1 million annually, the report's authors found.

One significant hurdle: convincing people to even start taking a drug. More than one in four newly prescribed prescriptions—28 percent—aren't even filled, according to a study published earlier this year in the *Journal of General Internal Medicine*. The research, which tracked 82,000 newly prescribed medications over 12 months, identified a higher rate of non-adherence for some chronic disease drugs, including high blood pressure (28.4 percent) and diabetes (31.4 percent).

## **Unraveling behaviors**

Although limited personal finances play a role, a thornier factor in non-adherence is rooted in psychology, particularly when a chronic health problem is involved, says Dan Ariely, professor of psychology and behavioral economics at Duke University and the author of *Predictably Irrational*.

“The problem is that it’s all about trading off the long-term future with the short-term consequences,” he says. “It turns out that when we are faced with this tradeoff, we often make the wrong choice.”

A recent study published in *The American Journal of Pharmacy Benefits* highlighted that disconnect. Asthma medications were filled at a higher rate, nearly 80 percent, compared with two-thirds of cholesterol-lowering drugs. “We suspect that certainly respiratory conditions may be more severe and more symptomatic in nature and thus the patient would be more motivated to initiate therapy,” says Josh Liberman, the study’s lead author and vice president of strategic research for CVS Caremark.

Liberman’s study also revealed that more than 90 percent of the prescriptions that were filled were done so within two weeks of being written. Those who didn’t even attempt to get the medications were more likely to be older or to face co-pays of more than \$10.

CVS Caremark has funded other research, led by Minds at Work, a company founded by Harvard psychologists. It reveals the inherent behavioral challenges involved. Researchers conducted hour-long interviews with patients who tried, but failed to adhere to their recommended drug regimen. Among the findings:

- 24 percent believed that the medication interfered with their personal priorities, social life or just generally became a chore.
- 21 percent said they felt as if they were losing control of their life; stopping the medication was sometimes a way to resist authority.
- 17 percent said the regimen made them feel old or perceive themselves negatively.

## **Broader strategies**

To encourage employees to stick with their drugs, employers should provide better support than just a brief physician visit, says Scott Wallace, a researcher and visiting professor at the University of Virginia’s Darden School of Business.

In a pilot diabetes project Wallace is conducting with a *Fortune* 500 company, the participants have been meeting in group sessions with not only a pharmacist but also with someone living with diabetes. Patients hear firsthand experience with the treatment as well as its potential side effects.

“What it does is it overcomes these information and knowledge issues,” Wallace says. “And it starts to address the issue of complications. If somebody takes something and they get sick from it, they think, ‘Oh, it’s a bad drug and I shouldn’t be taking it.’ ”

Employers also can tweak their benefits to emphasize chronic care treatment, such as by not charging any co-pay for basic preventive drugs, such as cholesterol or blood pressure medication, Wallace says. “You can buy a lot of blood pressure medication for the cost of one employee’s stroke.”

As of mid-2009, 20 percent of companies surveyed reported lowering medication co-pays or co-insurance for specific conditions, according to the Benfield Group’s survey. But far more employers were weighing the move: 47 percent said they were planning such a move within the next 18 months.

Setting the co-pay to zero is relevant only for patients who are cost-sensitive, Liberman says. “And that’s only one reason people give for being non-adherent.”

Another approach worth exploring, he says, is to set the co-pay at a lower level if employees not only start but continue to take their prescribed drug.

Employers wield more influence than they might realize in the medication equation, including the workplace environment, Wallace says. He is working with UVA associate professor Elizabeth Teisberg on the role of employers in chronic disease management, including medication adherence.

“I’ve never been in a manufacturing facility that didn’t have a smoking area,” Wallace says. But employees rarely have a private area where they can discreetly swallow a pill or administer an insulin shot, including the safe disposal of the needle, he adds.

*Workforce Management Online, July 2010 -- [Register Now!](#)*

---

*Charlotte Huff is a contributing editor for Workforce Management. To comment, e-mail [editors@workforce.com](mailto:editors@workforce.com).*