6. Conclusions

This chapter provides a synopsis of the findings of the baseline survey of prescribers conducted within both the direct-care (i.e., MTF) and purchased-care (i.e., network) systems. We first review the limitations of the study, then discuss the findings for each sample separately, and finally, where possible, we compare findings across the two systems.

Study Limitations

Some limitations of this study should be noted:

First, because we did not have data describing the universe of prescribers within the MHS, the survey data noted in this report represent the feedback of only the sample population and cannot be generalized to all MHS prescribers.

In addition, given the low response rate within the purchased-care sample, there is the risk of non-response bias within the results from this particular sample. On the one hand, if purchased-care prescribers who dislike formulary management in general did not participate in this study, the results would probably underestimate the negative attitudes and perceptions reported by purchased-care respondents. On the other hand, if purchased-care prescribers who generally favor formulary management did not participate, then the negative attitudes reported within this sample are probably overestimated.

Another limitation of the study includes the lack of documented information about any special administrative procedures within the direct-care system for non-physician prescribers. Anecdotal reports from MTF physicians indicate that non-physician prescribers are faced with a much different subset of administrative requirements for managing their prescribing behavior than are physicians, and non-physician prescribers may also be targeted differently than physicians by pharmaceutical industry marketing (i.e., physician detailing).

Because our study did not include a special survey instrument for non-physician prescribers, we did not particularly capture any of the potential effects on non-physicians’ prescribing behaviors or attitudes stemming from any special administrative requirements. As such, the responses from non-physician prescribers must be interpreted with care. Although they were included in our population for both samples (and were mandated for inclusion by the NDAA for
FY 2000, Public Law 106-65), non-physician prescribers were not well represented within the purchased-care sample due to their low number of submitted claims during our sampling time frame (September 1 through November 30, 2000).

Finally, it should be noted that the baseline survey did not assess MHS prescribers’ attitudes about and experiences with prescribing medications that require prior authorization. While prior authorization is a tool in formulary management, and there is research literature to demonstrate its impact on utilization and costs (Smalley et al., 1995), given the lack of a current UF management system across the MHS and the differing implementation policies for prior authorizations within dispensing locations in the direct-care system, we did not specifically assess experiences with prior authorizations. We expect that after the UF is implemented, our basis for comparing prescribers’ attitudes and experiences with prior authorizations will be more sound; thus, the follow-up survey instrument will include questions that address prior authorizations.

Findings Regarding Direct-Care System Prescribers

The majority of direct-care prescribers reported being very familiar with the formulary and formulary management systems in their MTFs. They reported favorable opinions about P&T committees and seemed to understand and endorse the need for pharmacy management techniques in controlling costs. They also strongly believed that formularies are a valuable tool in their clinical decisionmaking. They reported having experiences requesting non-formulary medications and believed that patients can get access to non-formulary medications when the need is justified. Direct-care prescribers also reported that denials of non-formulary requests are rare, and over half of them reported that such denials do not negatively impact their patients’ health status.

More than half of the direct-care prescribers reported that it is difficult to keep track of changes to formularies, but the majority believed that formularies are up to date for the classes of drugs they wish to prescribe. They indicated that regular updates and electronic prescribing or electronic reminders would improve and ease compliance with formularies.

In general, direct-care system prescribers indicated a high level of familiarity and comfort with the current MHS formularies and formulary management practices in general.

While some differences were noted within the sample of direct-care prescribers—for example between physician and non-physician prescribers and among
prescribers in small, medium-sized, and large facilities—without additional multivariate analyses, it is premature to draw any major conclusions about the implications of these differences. Further, we believe that the additional administrative requirements for non-physician prescribers within the direct-care system make it difficult for us to draw any strict comparisons between non-physician and physician prescribers without more information about those non-physician requirements.

**Findings Regarding Purchased-Care System Prescribers**

Within the purchased-care system, most prescribers have treated patients who have had their pharmacotherapy affected by either a formulary or a preferred-drug list. For example, 76 percent of purchased-care respondents indicated that more than a quarter of their patients have pharmacy benefits that were subject to formulary management, and 92 percent of purchased-care respondents reported that they prescribed medications based on formularies or preferred-drug lists in the previous three months.

Purchased-care prescribers reported being at least somewhat familiar with the content of these formularies or preferred-drug lists but less familiar with the rules and procedures governing non-formulary or non-preferred requests. However, many purchased-care respondents indicated having experience with multiple lists within the prior three months. Such exposure to multiple lists may have impacted their knowledge level as well as their opinions about formulary management practices in general.

Further, purchased-care prescribers were less likely than direct-care prescribers to believe that formularies assist in clinical decisionmaking and were less agreeable to the need to control health care costs through the use of formularies. They further noted that formularies are not up to date, and it is difficult to keep track of changes to them.

While almost half of the purchased-care respondents believed that patients can get non-formulary medications when the request is medically justified, they also reported denials of such requests more often than did the MTF prescribers we sampled.

We also noted some differences within the sample of purchased-care prescribers—for example between primary and secondary providers and between those with light TRICARE patient caseloads and those with heavy caseloads.
Based on our findings at this time and without additional multivariate analyses, we do not draw any major conclusions about what factors may predict these results. For example, the differences between analytic groups in the purchased-care system sample may be associated with other factors (e.g., amount of managed care participation) that were not assessed for this study.

**Comparing the Direct-Care and Purchased-Care Samples**

Acknowledging that the two samples were responding to two different systems, and that the questions in each survey were framed slightly differently (i.e., direct-care respondents were answering questions about the formulary at their current MTF, whereas purchased-care respondents were answering questions about their experiences with formularies more generally), it is nevertheless possible to make some comparisons about the opinions and attitudes of prescribers across the two systems.

As the findings described in Chapter 5 indicate, the practice styles of direct- and purchased-care prescribers are somewhat different. Network providers see a greater number of patients, spend a greater proportion of their time in direct patient care, and interact with multiple pharmacy benefit management systems. While MTF prescribers reported greater familiarity with formularies and had higher opinions of formulary management practices, it is likely that because private-sector providers deal with multiple, uncoordinated systems, their ability to stay informed on the formulary developments at each health plan is more limited.

MTF prescribers also appeared to be much closer to the current MTF formulary development and decisionmaking processes than were network prescribers (and were much more likely to be aware of the impact on MTF/DoD costs). Pharmacy management in the private sector is a relatively new practice (introduced over the past five to ten years), and it seems likely that most network providers have little contact with pharmacists or P&T committees, or have little input on formulary management decisions. There is also the possibility that MTF prescribers are inherently more comfortable with managed care techniques and environments than are the majority of purchased-care prescribers (i.e., private-sector physicians) in our survey, who avoid highly integrated environments such as the VA and staff HMOs (Glassman et al., 2001; William M. Mercer, Inc., 2001).
Direct-Care and Purchased-Care Prescribers’ Areas of Consensus

Taken together, the surveys of direct-care and purchased-care prescribers yield some areas of consensus with regard to providers’ perceptions about formularies and formulary management procedures. For example, we observed that the majority of respondents in both samples were at least somewhat familiar with the content of their respective formularies and the formulary management procedures they are asked to follow. In addition, prescribers in both systems reported having difficulty in keeping track of changes in formularies.

Prescribers in both systems also reported that they believed their patients could get access to non-formulary medications when it was medically justified. In both settings, prescribers had recent experiences requesting non-formulary medications. Differences were observed between the two systems, however, in the number of reported approvals of such requests. The direct-care prescribers reported that 96 percent of such requests were approved, compared with only 73 percent being approved in the purchased care system.¹

Status of Follow-Up Survey Effort

In our original research design, we planned to conduct a follow-up survey six months after the Uniform Formulary was disseminated. Given the delay in the implementation of the UF, we are currently discussing the timing of the follow-up survey effort with the sponsoring office. (At the time of the survey, implementation was planned for October 2001; at the time of this writing, it is planned for mid-2003).

In the follow-up stage of this study, we will assess any changes in prescribers’ attitudes and opinions of formulary management and examine prescribers’ experiences with the UF itself. We also plan to conduct additional multivariate analyses of both the baseline and follow-up survey efforts to examine any differences by MHS health care service region, branch of service, and managed care support contractor.²

¹Although these differences between systems could be tested using some assumptions, at the request of the sponsor, the additional programming and analyses required to do this testing were not pursued at this time.

²Managed care support contractors are the companies that manage the TRICARE program for the DoD within each of the health care service regions, of which there are currently four: TRIWest, HealthNet, Sierra, and Humana.