



## Texas Pharmacy Leverages New Technology to Grow The Pharmacy Organization

### Problem

A Texas pharmacy was leaving thousands of dollars on the table by not billing the outpatient encounters associated with new medication consultation and vaccine administration to the medical benefit.

### Solution

DocStation worked with the pharmacy to implement a medical billing solution that automatically identifies billable encounters and queues up claims for submission to the medical benefit.

### Results

The pharmacy partnered with DocStation to streamline billing, identify medical coverage, and boost revenue. They now auto-bill vaccine and medication counseling, with 200 monthly medical claims and \$10,000 in new revenue per location.

### I Background

The prescription reimbursement landscape presents unique challenges for community retail pharmacies across the country. Pharmacies are finding it harder to maintain adequate margins and sustain rising DIR clawback payments. With an imposing “DIR cliff” on the horizon, many pharmacies are capitalizing on new revenue streams from clinical services. In this case study, we examine how one pharmacy organization in Texas leveraged billing automation technology with DocStation to identify billable encounters, streamline billing workflow, and earn revenue for services they were already providing on a daily basis.

## I The Need

- ✓ The pharmacy organization, based in Texas, has been consulting patients on new medications for treating chronic disease and administering vaccines for years. Their pharmacies have been earning revenue on the immunization service by billing for the product and dispensing fee to the pharmacy benefit. However, they were leaving money on the table by not billing the outpatient encounters associated with vaccine administration, as well as those encounters related to chronic care management, to the medical benefit.
- ✓ Understanding patients' medical coverage can be very difficult from the pharmacy's perspective, since many insurers contract with one of the three largest PBMs in the country for pharmacy benefits. Without a tech solution, a pharmacy either has to contact each patient and store their medical coverage data in ways that are inconvenient and not fit-for-purpose, or the pharmacy has to forgo the medical billing process altogether, abandoning the potential revenue for the outpatient encounter.
- ✓ Like most pharmacies, the organization lacked a software solution to bill clinical services to the medical benefit. They found most solutions failed to meet the mark on billing capabilities, claims transparency, user experience and customer support. The pharmacy organization chose DocStation to assist with streamlining the administrative burden of medical billing and implemented an automated solution to bill encounters at the time of service.

## I Solution

- ✓ DocStation AI billing automation identifies billable events in real-time. This functionality has the unique ability to detect when medications often associated with a service component (e.g. vaccines, new prescriptions, opioids, antibiotics) are dispensed and queue up medical claims for review & submission by pharmacy staff at the time of service.
- ✓ DocStation AI also uses a machine learning model to predict a patient's medical coverage based on their PBM coverage with greater than 90% accuracy. The payer prediction model can provide a pharmacy up to three recommended medical coverages based on several factors, including the patient's PBM coverage, the pharmacy's location, and previously billed claims. Additionally, DocStation AI will perform automated eligibility verification against those recommended payers to validate active medical coverage at the time of the service. This technology can save a pharmacy up to 12 hours per week of administrative time identifying patients' medical coverage.
- ✓ Once submitted, DocStation follows each claim through the revenue cycle process, ensures accurate coding, and manages rejections/denials to achieve maximum reimbursement. DocStation provides industry-leading transparency into the claim life cycle, so pharmacies know exactly what is happening with the claim at each step.

## I Results

- ✓ DocStation worked with the pharmacy organization to integrate with the dispensing system and identify and target vaccines and medications with high rates of consultation and management. Each patient encounter lasted approximately 15-30 minutes and was documented in detail using DocStation's EHR while Claims Automation queued the corresponding medical claims. The organization's pilot location was able to identify 325 billable opportunities in the first month with reimbursement up to \$200 per claim.
- ✓ The organization's locations are now leveraging DocStation billing automation to queue up medical claims for all vaccine administration, medication counseling and diabetes education encounters in workflow. Billing automation generates around 200 medical claim submissions and \$10,000 in billings per location per month. They are projected to earn over \$150,000 in net new revenue in their first year on the DocStation platform.