2013 Medicare Part D Medication Therapy Management (MTM) Programs

Fact Sheet

Summary of
2013 MTM Programs

September 12, 2013

Discussion Topics

- Background

- Annual Review

- Characteristics 2013 MTM programs

- Summary

Background

- Under 423.153(d), a Part D sponsor must establish an MTM program that:

  - Ensures covered Part D drugs are used to optimize therapeutic outcomes through improved medication use,

  - Reduces the risk of adverse events,

  - Is developed in cooperation with licensed and practicing pharmacists and physicians,

  - May be furnished by pharmacists or other qualified providers.

MTM Program Improvements

- Section 10328 of the Affordable Care Act, effective January 1, 2013.

  - Several changes were already implemented in 2010.
  - Requires that all targeted beneficiaries be offered a comprehensive medication review (CMR); beneficiaries in LTC settings are no longer exempt.
  - Directed the Secretary, in consultation with relevant stakeholders, to develop a standardized format for the CMR action plan and summary.

CMR Standardized Format

Requirements

- An individualized, written summary in CMS' standardized format must be provided following each CMR.

- Necessitates certain minimum service levels for the CMR:
  - Discussion of the beneficiary's concerns with their drug therapy,
  - Collection of the purpose and instructions for using their medications,
  - Review of a beneficiary's medications including prescription, non-prescription drugs and supplements to aid in assessing medication therapy, and
  - Engaging beneficiaries in management of their drug therapy.

CMR Standardized Format
Finalized

Medication Action Plan

What we talked about:	
What I need to do:	What I did and when I did it:

My follow-up plan (add notes about next steps):

Questions I want to ask (include topics about medications or therapy):

Personal Medication List

Medication:	
How I use it:	
Why I use it:	Prescriber:
Notes:	
Date I started using it:	Date I stopped using it:
Why I stopped using it:	

Effective January 1, 2013, Form CMS-10396 (1/12), Form Approved OMB No. 0938-1154

Annual Review (1 of 2)

- A CMS-approved MTM program is one of several required elements in the development of a Medicare Part D sponsor's bid.

- Annually, sponsors must submit an MTM program description to CMS for review and approval.

- CMS evaluates each program description as part of a Part D quality improvement requirement (42 CFR §423.153(d)), to ensure that it meets the current minimum requirements for the program year.

Annual Review

- In 2013, there are 645 active Part D contracts with an approved MTM program.
  - 562 Medicare Advantage prescription drug plans (MA-PDs).
  - 83 standalone prescription drug plans (PDPs), including Employer contract MTM programs.

- All sponsors who are required to establish an MTM program in 2013 have an approved program in place.

- This analysis includes characteristics of 2013 MTM program applications approved during the spring annual review and changes approved during the September 2012, March 2013, and June 2013 update windows as of July 22, 2013 in the Health Plan Management System (HPMS).

Eligibility Criteria
Expanded Criteria

- The CMS eligibility targeting requirements are established as the minimum threshold. Sponsors may also offer MTM services to an expanded population of beneficiaries who do not meet the eligibility criteria under section 423.153(d).
- In 2013, almost one-quarter of MTM programs use expanded eligibility requirements beyond CMS' minimum requirements.

Table 1. Percent of 2013 MTM Programs with Expanded Eligibility Criteria

Eligibility Criteria	# of Programs	% of Programs
Only target enrollees who meet the specified targeting criteria per CMS requirements	485	75.2%
Use Expanded Criteria: Target both enrollees who meet the specified targeting criteria per CMS requirements and enrollees who meet other plan-specific targeting criteria	160	24.8%
Total	**645**	**100.0%**

Eligibility Criteria
General Requirements

- Part D enrollees who have multiple chronic diseases, are taking multiple Part D drugs, and are likely to incur annual costs for covered Part D drugs that exceed a predetermined level are targeted for the MTM programs, as described in § 423.153(d)(1).

- The 2013 MTM program annual cost threshold is $3,144.

- The following information describes the eligibility criteria specified by sponsors per CMS requirements, and do not reflect any expanded criteria.
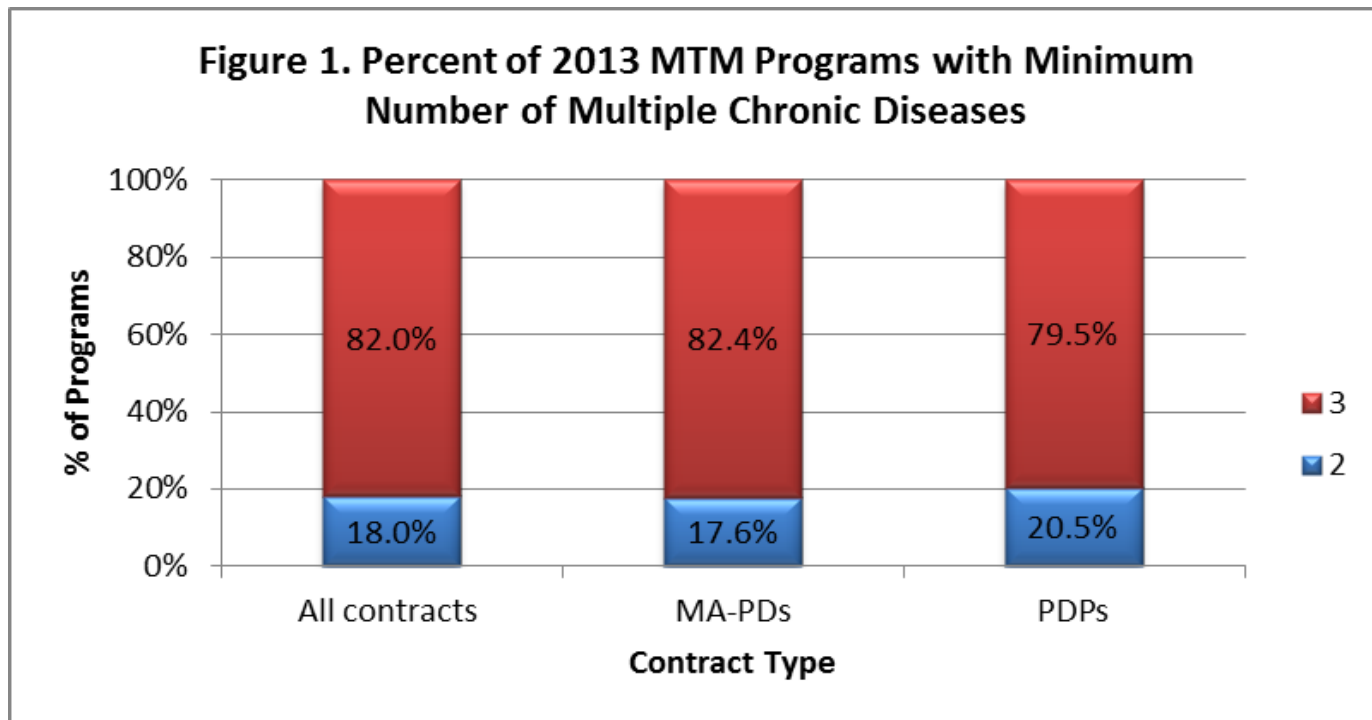
Eligibility Criteria
1. Have Multiple Chronic Diseases (1 of 6)

- Sponsors are required to target beneficiaries with multiple chronic diseases, and they define the minimum threshold for eligibility into their MTM program.

- In 2010, CMS established both a ceiling and a floor for the minimum number of chronic diseases that may be required.
  - Three chronic diseases is the maximum number a Part D plan sponsor may require for targeted enrollment.

- Therefore, a plan sponsor has the discretion to determine whether to target beneficiaries with at least two chronic diseases or at least three chronic diseases.

Eligibility Criteria
1. Have Multiple Chronic Diseases (2 of 6)

- Approximately 82% of 2013 programs target beneficiaries with at least three chronic diseases.

Figure 1. Percent of 2013 MTM Programs with Minimum Number of Multiple Chronic Diseases

Eligibility Criteria
1. Have Multiple Chronic Diseases (3 of 6)

- Sponsors may target beneficiaries with any chronic diseases or target beneficiaries having specific chronic diseases.

- Sponsors are encouraged to consider including diseases in their targeting criteria to meet the needs of their patient populations and improve therapeutic outcomes.

- In defining multiple chronic diseases for eligibility, 3.7% of 2013 programs are targeting beneficiaries with any chronic diseases, and 96.3% are targeting beneficiaries with specific chronic diseases.

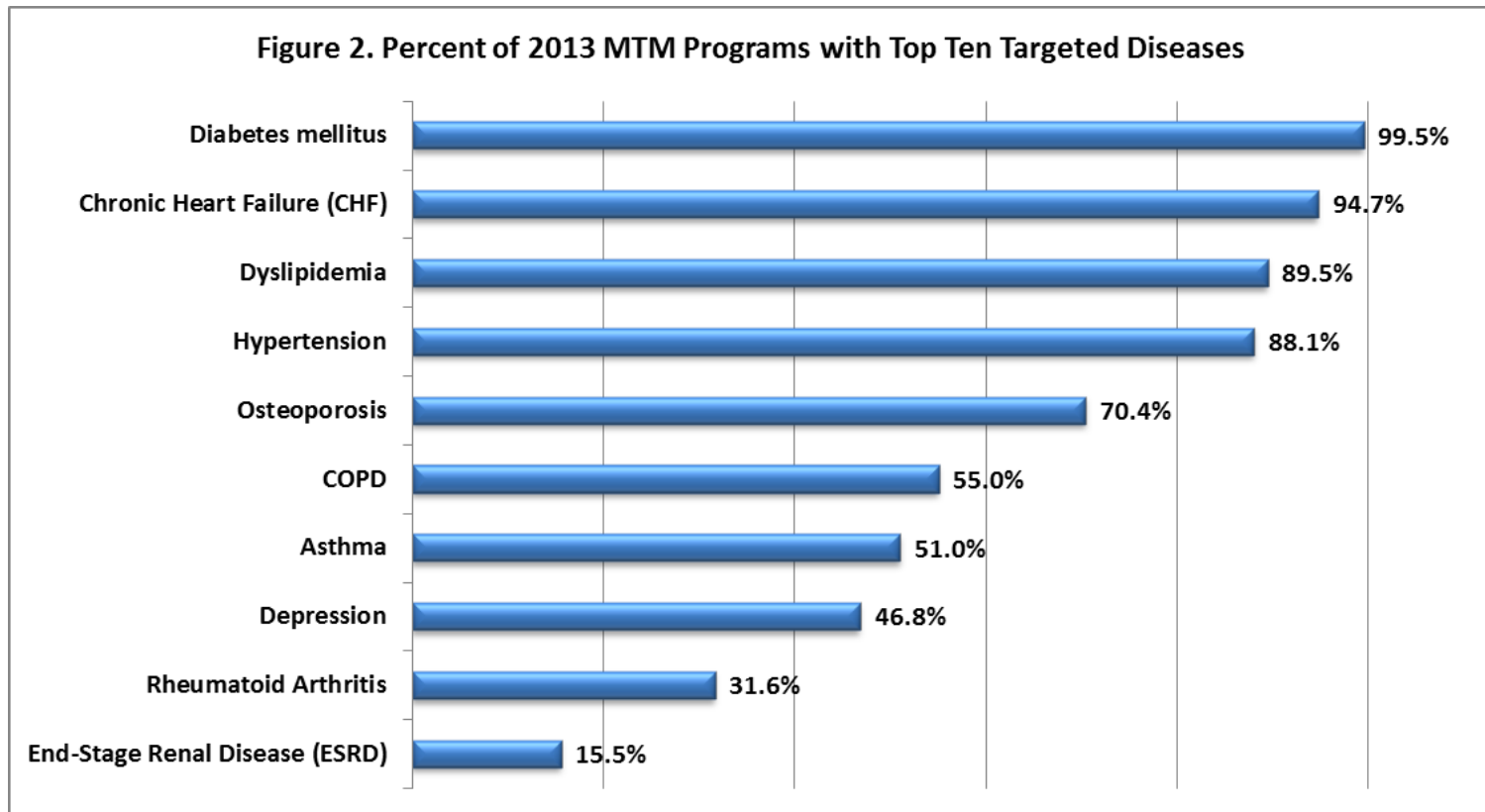- If sponsors choose to target beneficiaries with specific chronic diseases, they must include at least five of the nine core chronic conditions.

- Sponsors should target beneficiaries with any combination of the chronic diseases included in their criteria.

Eligibility Criteria
1. Have Multiple Chronic Diseases (5 of 6)

- Diabetes, Chronic Heart Failure (CHF), and Dyslipidemia are the top targeted diseases in 2013.

Figure 2. Percent of 2013 MTM Programs with Top Ten Targeted Diseases

Disease	Percent
Diabetes mellitus	99.5%
Chronic Heart Failure (CHF)	94.7%
Dyslipidemia	89.5%
Hypertension	88.1%
Osteoporosis	70.4%
COPD	55.0%
Asthma	51.0%
Depression	46.8%
Rheumatoid Arthritis	31.6%
End-Stage Renal Disease (ESRD)	15.5%

Multiple selections were allowed; not mutually exclusive.

Eligibility Criteria
1. Have Multiple Chronic Diseases (6 of 6)

- Other beneficiary conditions that are targeted by more than 10% of the 2013 MTM programs include:

    – Cardiovascular Disease (14.4%);

    – HIV/AIDS (12.6%);

    – Osteoarthritis (11.6%);

    – Chronic Lung Disorders (11.0%);

    – Alzheimer's Disease (10.5%);

    – Bipolar Disease (10.4%); and

    – Schizophrenia (10.4%).

Eligibility Criteria
2. Taking Multiple Part D Drugs (1 of 3)

- Each program sets the minimum number of covered Part D drugs a beneficiary must have filled for MTM program eligibility.

- The MTM requirements establish both a ceiling and a floor for the minimum number of drugs that may be required.

  - Sponsors may set this minimum threshold at any number equal to or between two and eight.

Eligibility Criteria
2. Taking Multiple Part D Drugs (2 of 3)

- Approximately 58.9% of programs target beneficiaries who have filled at least eight covered Part D drugs.

Table 2. Percent of 2013 MTM Programs by Minimum Number of Covered Part D Drugs

Minimum Number of Covered Part D Drugs	% of all MTM Programs	% of MA-PD MTM Programs	% of PDP MTM Programs
2	3.7%	3.6%	4.8%
3	1.1%	1.1%	1.2%
4	2.3%	2.0%	4.8%
5	7.8%	7.7%	8.4%
6	10.5%	9.8%	15.7%
7	15.7%	15.8%	14.5%
8	58.9%	60.1%	50.6%

Eligibility Criteria
2. Taking Multiple Part D Drugs (3 of 3)

- Almost one-quarter (23.9%) of programs allow any Part D drug to qualify for this requirement.

- The remaining programs require Part D drugs for chronic conditions (66.0%) or specific Part D drug classes (10.1%).

Eligibility Criteria
3. Likely to Incur $3,144 for Covered Part D Drugs

- The sponsor must provide a description of the analytical procedure used when determining if a beneficiary is likely to incur the annual cost threshold for 2013.

- The description may include the specific threshold(s), formula, or criteria of their model used.

- MTM programs in 2013 continue to apply varying cost threshold methodologies, but the majority of analyses (65.6% of programs) are based on annual projections for Part D covered drug costs in the previous quarter.
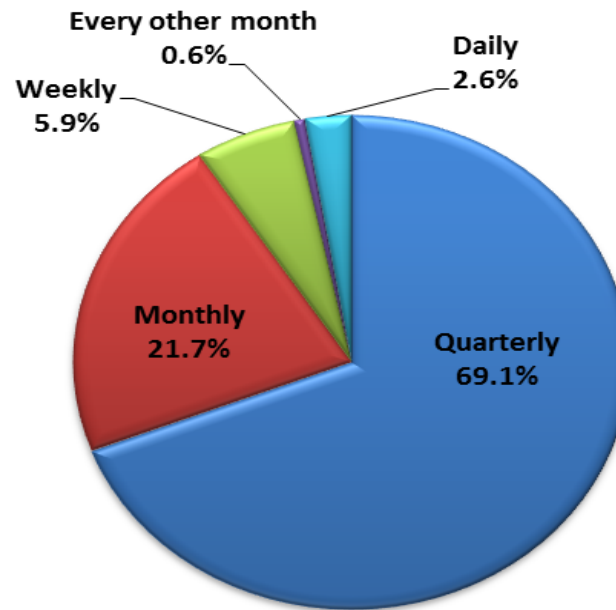
Method of Enrollment (1 of 2)

- Sponsors must enroll targeted beneficiaries using an opt-out method of enrollment only.

- Sponsors must target beneficiaries for enrollment in the MTM program at least quarterly during each plan year.

Method of Enrollment (2 of 2)

- Almost 70% of the programs identify targeted beneficiaries quarterly and 22% identify beneficiaries monthly.

Figure 3. Frequency of Identification: Percent of 2013 MTM Programs

Every other month 0.6%

Daily 2.6%

Weekly 5.9%

Monthly 21.7%

Quarterly 69.1%

Data Sources used for Eligibility Identification

- All of the MTM programs use drug claims data to identify eligible beneficiaries for their MTM programs in 2013.

- In addition, 25.7% of MTM programs also use medical data to identify eligible beneficiaries (28.3% of MA-PD programs versus 8.4% of PDP programs).

- Sponsors use other types of data to aid with identification, and 2.6% use information collected from the beneficiaries, and 2.8% use laboratory data. These are not mutually exclusive categories.

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Required MTM Services
General Requirements

- Sponsors must offer a minimum level of MTM services to all targeted beneficiaries:

  - Interventions for beneficiaries and prescribers,

  - An annual comprehensive medication review (CMR) - interactive, person-to-person, or telehealth consultation performed by a pharmacist or other qualified provider for the beneficiary with an individualized, written summary in CMS' standardized format,

  - Quarterly targeted medication reviews (TMRs) with follow-up interventions when necessary.

Required MTM Services
CMR Definition

The CMR is expected to meet the following professional service definition:

- *A CMR is a systematic process of collecting patient-specific information, assessing medication therapies to identify medication-related problems, developing a prioritized list of medication-related problems, and creating a plan to resolve them with the patient, caregiver and/or prescriber.*

- *A CMR is an interactive person-to-person or telehealth medication review and consultation conducted in real-time between the patient and/or other authorized individual, such as prescriber or caregiver, and the pharmacist or other qualified provider and is designed to improve patients' knowledge of their prescriptions, over-the-counter (OTC) medications, herbal therapies and dietary supplements, identify and address problems or concerns that patients may have, and empower patients to self manage their medications and their health conditions.*
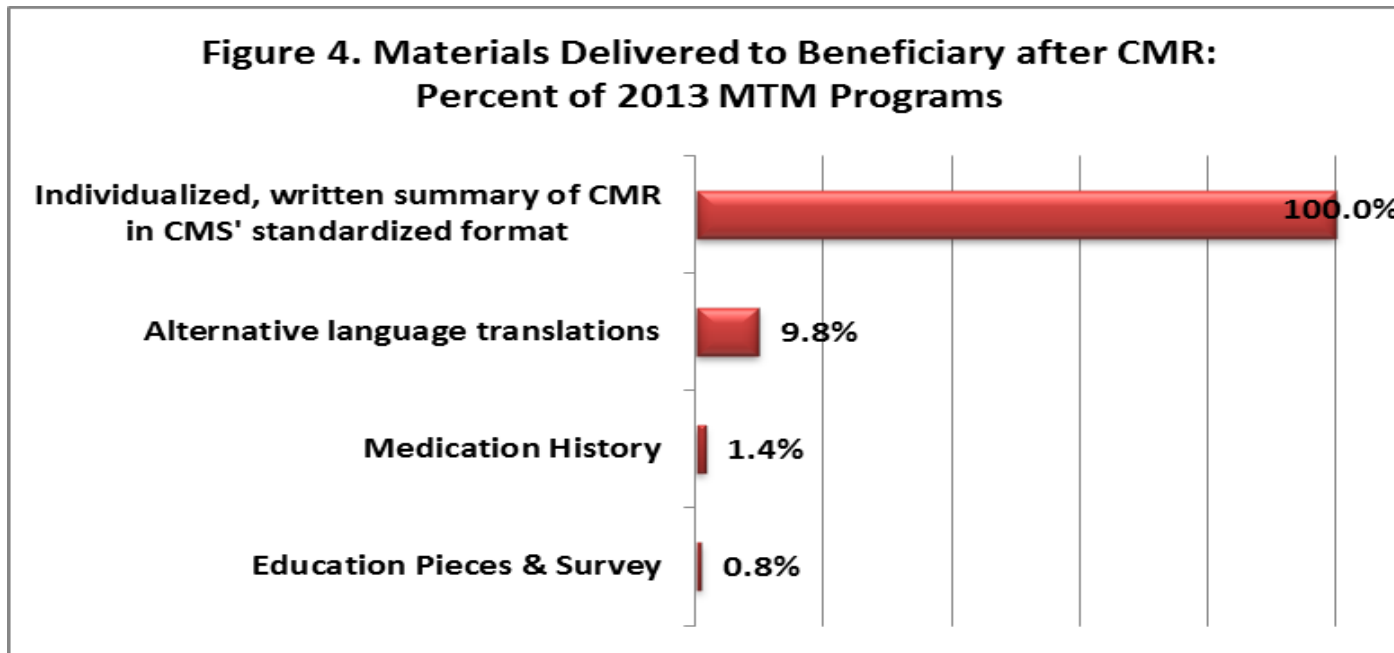
Required MTM Services
CMR Delivery Method

- 92.4% of programs offer the interactive, person-to-person CMR consultation via the phone.

- Over 40% (42.4%) of programs also offer face-to-face consultations (up from 28.4% in 2012).

- 16% of programs offer CMRs through telehealth technologies (up from 1% in 2012).

Required MTM Services
Materials Delivered to Beneficiary after CMR

- Starting in 2013, an individualized, written summary in CMS' standardized format is required.

- Some sponsors also provide supplemental materials.

Figure 4. Materials Delivered to Beneficiary after CMR: Percent of 2013 MTM Programs

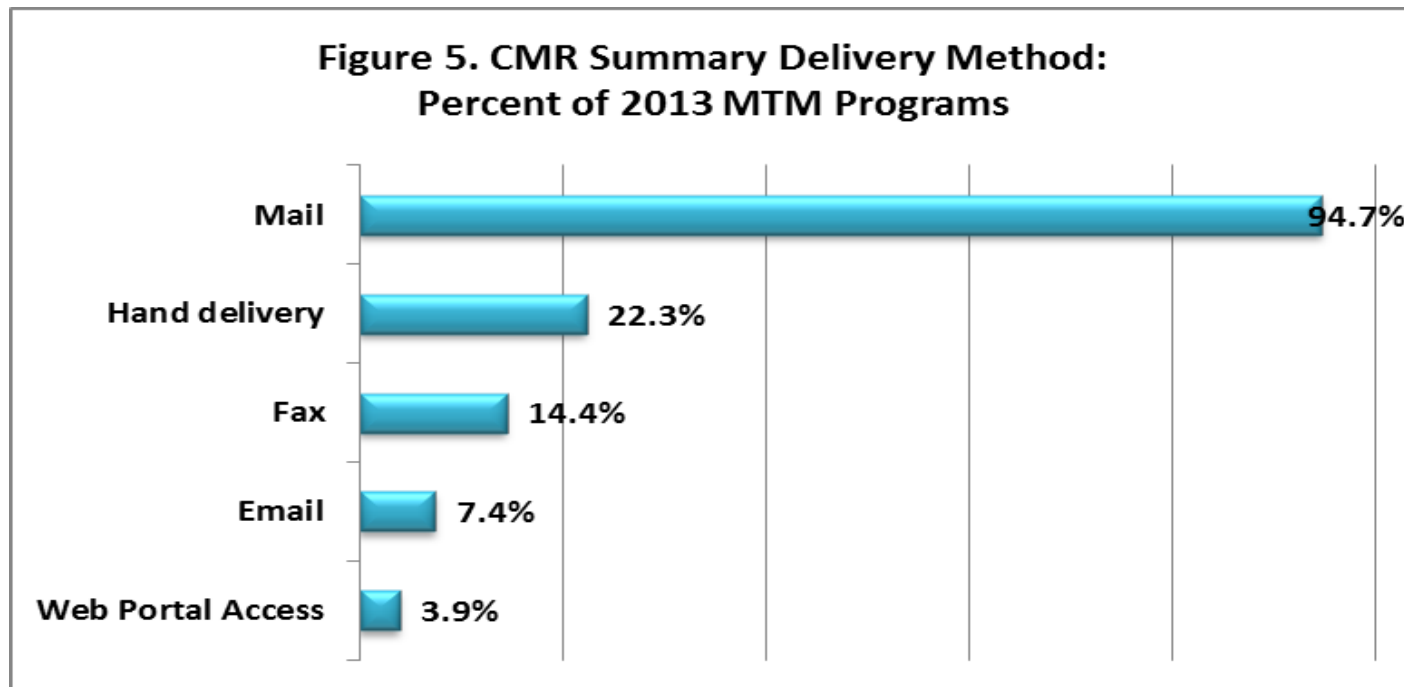| Material	Percent
Individualized, written summary of CMR in CMS' standardized format	100.0%
Alternative language translations	9.8%
Medication History	1.4%
Education Pieces & Survey	0.8%

Multiple selections were allowed; not mutually exclusive.
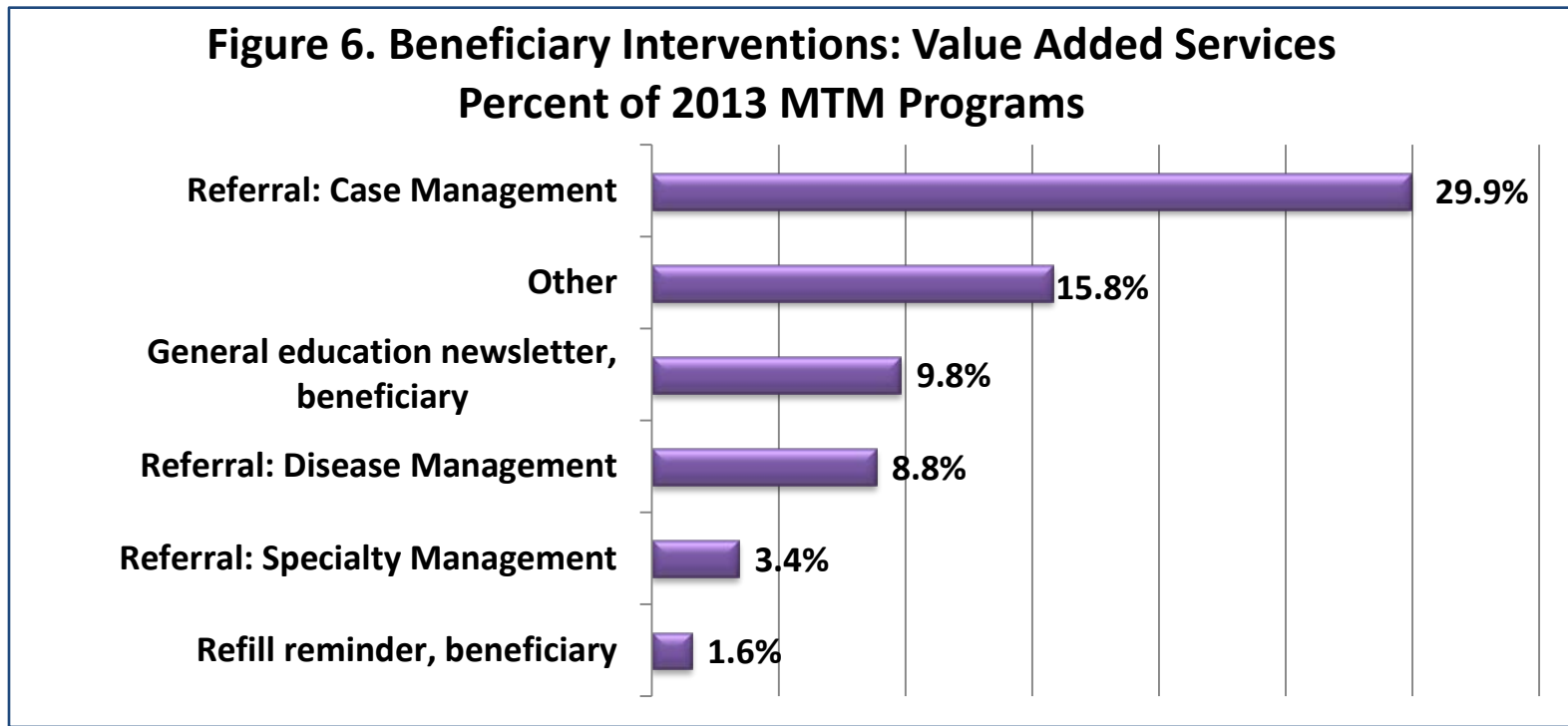
Required MTM Services
CMR Summary Delivery Method

- Almost 95% of programs provide the CMR summary in CMS' standardized format by mail. Over 22% also provide the summary in person after the CMR.

Figure 5. CMR Summary Delivery Method: Percent of 2013 MTM Programs

Delivery Method	Percent
Mail	94.7%
Hand delivery	22.3%
Fax	14.4%
Email	7.4%
Web Portal Access	3.9%

Multiple selections were allowed; not mutually exclusive.

Value Added Services

- Beyond the required services, sponsors provide additional value added services.

Figure 6. Beneficiary Interventions: Value Added Services
Percent of 2013 MTM Programs

Intervention	Percent
Referral: Case Management	29.9%
Other	15.8%
General education newsletter, beneficiary	9.8%
Referral: Disease Management	8.8%
Referral: Specialty Management	3.4%
Refill reminder, beneficiary	1.6%

The 'Other' beneficiary interventions represent a variety of about 20 different miscellaneous interventions to improve medication use, outreach, or perform utilization management.
Multiple selections were allowed; not mutually exclusive

Required MTM Services
Prescriber Interventions

- Sponsors are required to offer interventions to the beneficiaries' prescribers.

- Therefore, 100% of MTM programs offer interventions to prescribers to resolve drug therapy problems or optimize therapy, which are delivered through a variety of methods.

  – 88.4% fax the consultations,

  – 85.4% provide phone consultations (up from 77.7% in 2012),

  – 84.8% provide mailed consultations (up from 69.0% in 2012).

- Over 17% also provide a patient medication list to the prescriber.

- MTM is considered an administrative cost (that is, a component of the plan's bid) by CMS.

- Part D Sponsors are required to explain how their fees account for the time and resources associated with their MTM program.

- They have the flexibility to determine the billing mechanisms and establish fees for pharmacists and other qualified providers associated with providing the MTM services.

- These arrangements are between the Part D sponsors and the providers of the services.
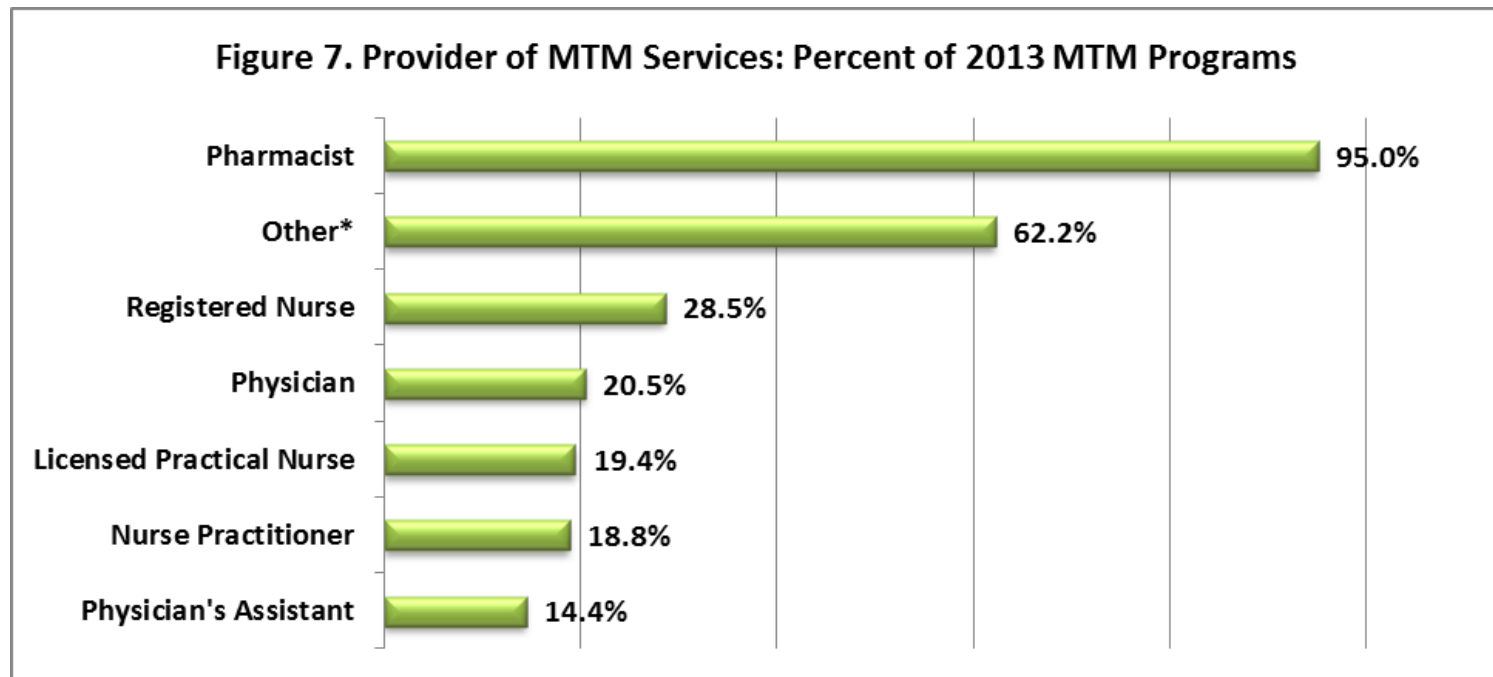
MTM Providers (2 of 5)

- Sponsors can utilize internal staff, outside personnel or both for delivery of MTM services (multiple selections are allowed).

- In 2013, 35.4% of programs utilize internal staff, and 86.4% of programs utilize outside personnel (up from 81.6% in 2011 and 84.2% in 2012).

- A higher share of PDPs use outside personal compared to MA-PDs (alone or in combination with internal staff).

- MTM services may be furnished by pharmacists or other qualified providers. Sponsors indicate if their MTM providers are pharmacists, physicians, registered nurses, and/or others.

Figure 7. Provider of MTM Services: Percent of 2013 MTM Programs

Provider	Percent
Pharmacist	95.0%
Other*	62.2%
Registered Nurse	28.5%
Physician	20.5%
Licensed Practical Nurse	19.4%
Nurse Practitioner	18.8%
Physician's Assistant	14.4%

*'Other' resources include support staff to assist in providing these services such as pharmacy technicians, pharmacy students/interns, and case workers.

Multiple selections were allowed; not mutually exclusive.

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- Over 86% of programs utilize outside personnel.

- Outside personnel may include a Prescription Benefit Management (PBM) company, MTM vendor, disease management vendor, community pharmacists, LTC pharmacists, or others.

- Of the programs that utilize outside personnel,
  - 60.7% utilize a PBM (52.4% of all 2013 MTM programs)
  - 62.3% utilize an MTM vendor (53.8% of all programs).

Multiple selections were allowed; not mutually exclusive.

Qualified Provider of CMR

- Over half of programs use an MTM Vendor In-house pharmacist to deliver the CMR. Almost 28% use an MTM Vendor Local Pharmacist.

- Almost 40% of programs use a PBM pharmacist, and over 15% use LTC consultant pharmacists.

MTM Provider of CMR	% of Programs
MTM Vendor In-house Pharmacist	52.9%
Plan Benefit Manager (PBM) Pharmacist	39.5%
Plan Sponsor Pharmacist	33.5%
MTM Vendor Local Pharmacist	27.8%
Registered Nurse	24.8%
Licensed Practical Nurse	20.5%
Physician	20.2%
Local Pharmacist	19.5%
Nurse Practitioner	15.8%
Long Term Care (LTC) Consultant Pharmacist	15.2%
Physician's Assistant	14.4%

Multiple selections were allowed; not mutually exclusive.

Highlights

- The Affordable Care Act brought improvements to Part D MTM programs which are effective in 2013.

- All beneficiaries must receive a CMR, including beneficiaries in LTC settings, and the CMR written summary must be provided in CMS' standardized format.

- Providing the standardized format is expected to elevate the level of service for the delivery of the CMR.

- Over the past few years, an increasing percentage of programs are using outside personnel to provide MTM services, including local pharmacists.

- Over 90% of programs offer the CMR via the phone, but there has been a noticeable increase in the percentage of programs that also offer the CMR face-to-face (42.4% in 2013 compared to 28.4% in 2012).

Additional Resources

Annual Guidance and Standardized Format:

- [CMS website](#) > Medicare > Prescription Drug Coverage Contracting > Medication Therapy Management

Resources:

- Part D MTMP Policy and Operations Help: Email PartD_MTM@cms.hhs.gov