



# 2014 Medicare Part D Medication Therapy Management (MTM) Programs



## Fact Sheet

Summary of  
2014 MTM Programs

*August 21, 2014*

# Discussion Topics

- Background
- Highlights from 2014 Call Letter
- Annual Review
- Characteristics of 2014 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.

# Highlights from 2014

## Final Call Letter (1 of 2)

- Encouraged sponsors to offer MTM services to beneficiaries who fill at least one anti-hypertensive medication, to support the Million Hearts™ Initiatives.
- Encouraged beneficiaries to complete their annual comprehensive medication review (CMR) prior to their annual wellness visit, and bring their CMR summary to their medical visits.
- Encouraged sponsors to adopt standardized health information technology (HIT) for documentation of MTM services.
- Provided guidance and additional clarification to improve the delivery of MTM in long-term care (LTC).

# Highlights from 2014

## Final Call Letter (2 of 2)

- Discussed tools that could be used to identify if a beneficiary is cognitively impaired or able to participate in the CMR.
- Required sponsors to report their MTM program web page URL with their descriptions as part of the annual submission process.
- Discussed enhancements to MTM information in the *Medicare & You Handbook* and on the Medicare Plan Finder.
- Expanded expectations per the Medicare Marketing Guidelines for information included on sponsors' dedicated MTM webpages.

# 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 in the Health Plan Management System (HPMS).
- 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 (which are described throughout this Fact Sheet).

# Annual Review (2 of 2)

- In 2014, there are 686 active Part D contracts with an approved MTM program.
  - 582 Medicare Advantage prescription drug plans (MA-PDs).
  - 77 standalone prescription drug plans (PDPs), including Employer contract MTM programs.
  - 27 Medicare-Medicaid Plans (MMPs).
- All sponsors that are required to establish an MTM program have an approved program in place.
- This analysis includes characteristics of 2014 MTM program applications approved during the spring annual review and changes approved during the September 2013, March 2014, and June 2014 update windows as of June 20, 2014.

# Eligibility Criteria

## Expanded Criteria

- The CMS eligibility targeting requirements, described next, 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 2014, almost 20% of MTM programs use expanded eligibility requirements beyond CMS' minimum requirements.

**Table 1. Percent of 2014 MTM Programs with Expanded Eligibility Criteria**

<b>Eligibility Criteria</b>	<b># of Programs</b>	<b>% of Programs</b>
<b>Only target enrollees who meet the specified targeting criteria per CMS requirements</b>	556	81.0%
<b>Use Expanded Criteria: Target both enrollees who meet the specified targeting criteria per CMS requirements and enrollees who meet other plan-specific targeting criteria</b>	130	19.0%
<b>Total</b>	<b>686</b>	<b>100.0%</b>

# 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 2014 MTM program annual cost threshold is \$3,017.
- The following information describes the eligibility criteria specified by sponsors per CMS requirements, and do not reflect any expanded criteria.

# Eligibility Criteria

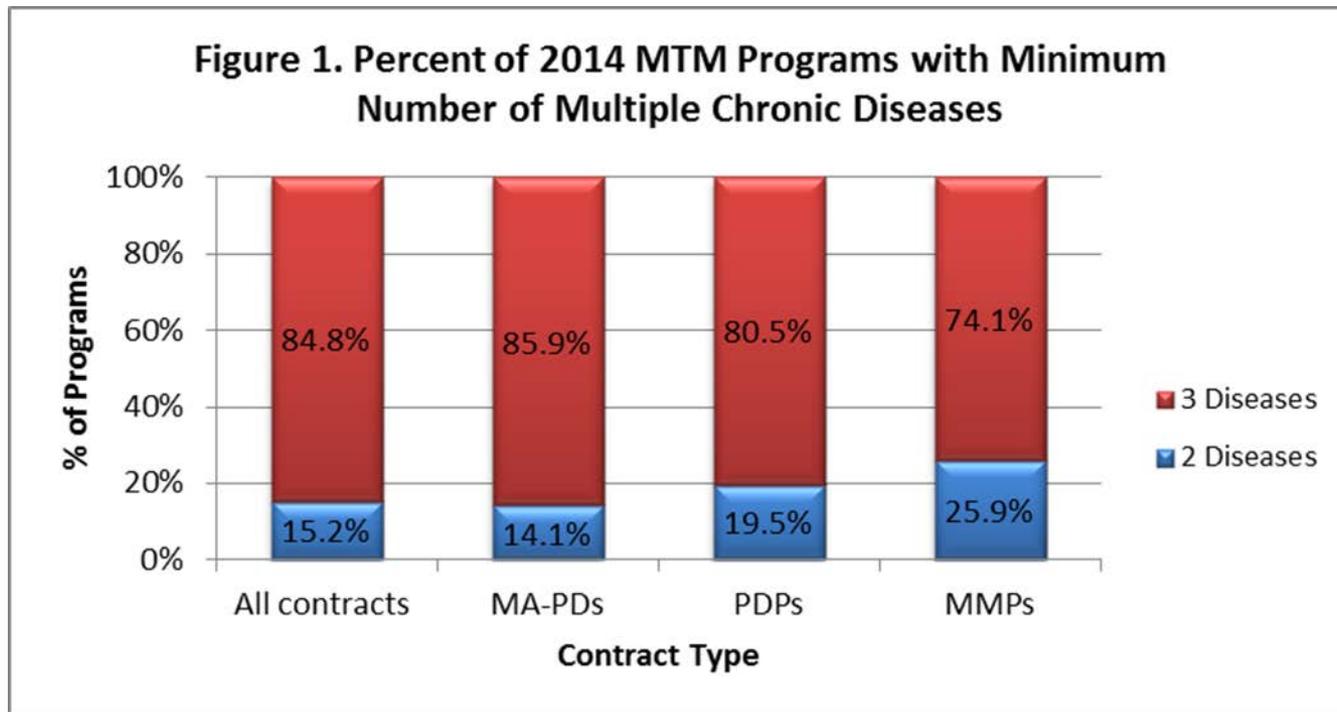
## 1. Have Multiple Chronic Diseases (1 of 6)

- Sponsors are required to target beneficiaries with multiple chronic diseases, and sponsors 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 85% of 2014 programs target beneficiaries with at least three 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, 2.9% of 2014 programs are targeting beneficiaries with any chronic diseases, and 97.1% are targeting beneficiaries with specific chronic diseases.

# Eligibility Criteria

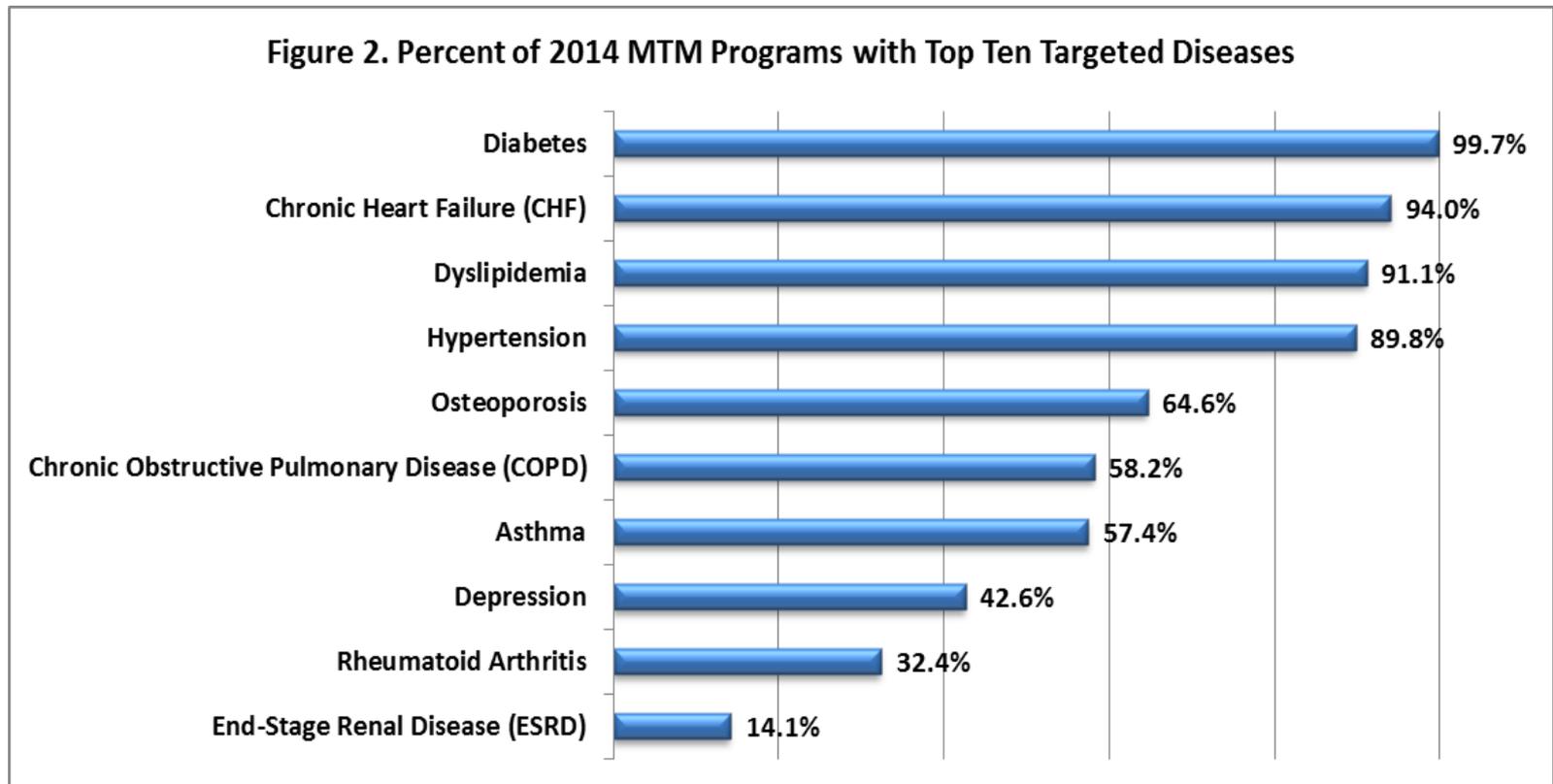
## 1. Have Multiple Chronic Diseases (4 of 6)

- If sponsors choose to target beneficiaries with specific chronic diseases, they should 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 2014.



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 2014 MTM programs include:
  - Osteoarthritis (13.4%);
  - HIV/AIDS (12.7%);
  - Cardiovascular Disorders (12.4%);
  - Chronic Lung Disorders (12.2%)

# 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 51.7% of programs target beneficiaries who have filled at least eight covered Part D drugs.

**Table 2. Percent of 2014 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	% of MMP MTM Programs
2	3.2%	3.3%	2.6%	3.7%
3	1.3%	1.2%	1.3%	3.7%
4	1.5%	1.2%	3.9%	0.0%
5	5.2%	5.2%	7.8%	0.0%
6	15.5%	14.1%	19.5%	33.3%
7	21.6%	20.4%	32.5%	14.8%
8	51.7%	54.6%	32.5%	44.4%

# Eligibility Criteria

## 2. Taking Multiple Part D Drugs (3 of 3)

- Almost one-quarter (25.8%) of programs allow any Part D drug to qualify for this requirement.
- The remaining programs require Part D drugs for chronic conditions (63.3%) or specific Part D drug classes (10.9%).

# Eligibility Criteria

## 3. Likely to Incur \$3,017 for Covered Part D Drugs

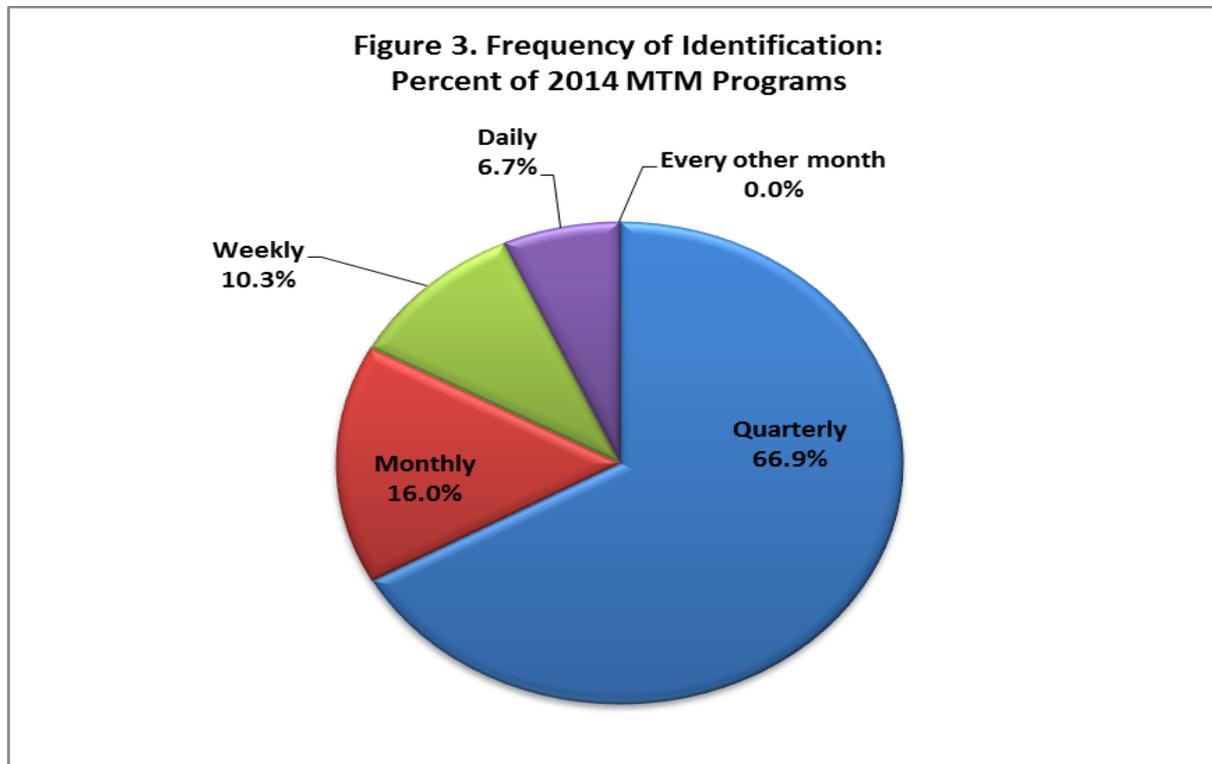
- The sponsor must provide a description of the analytical procedure used when determining if a beneficiary is likely to incur the annual cost threshold for 2014.
- The description may include the specific threshold(s), formula, or criteria of their model used.
- MTM programs in 2014 continue to apply varying cost threshold methodologies, but almost three-quarters of analyses (72.6% of programs) project annual drug costs based on covered Part D drug costs in the previous quarter.

# Method of Enrollment (1 of 2)

- Sponsors must enroll 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 67% of the programs identify eligible beneficiaries quarterly and 16% identify beneficiaries monthly. Others target more frequently.



# Data Sources used for Eligibility Identification

- All MTM programs use drug claims data to identify eligible beneficiaries for their MTM programs in 2014.
- In addition, 22% of MTM programs also use medical data to identify eligible beneficiaries (25.4% of MA-PD programs versus 3.9% of PDP programs).
- Sponsors use other types of data to aid with identification (3.9% use information collected from the beneficiaries, and 1.3% use laboratory data). These are not mutually exclusive categories.

# Required MTM Services

## General Requirements

- Sponsors must offer a minimum level of MTM services to all eligible 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, and
  - 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

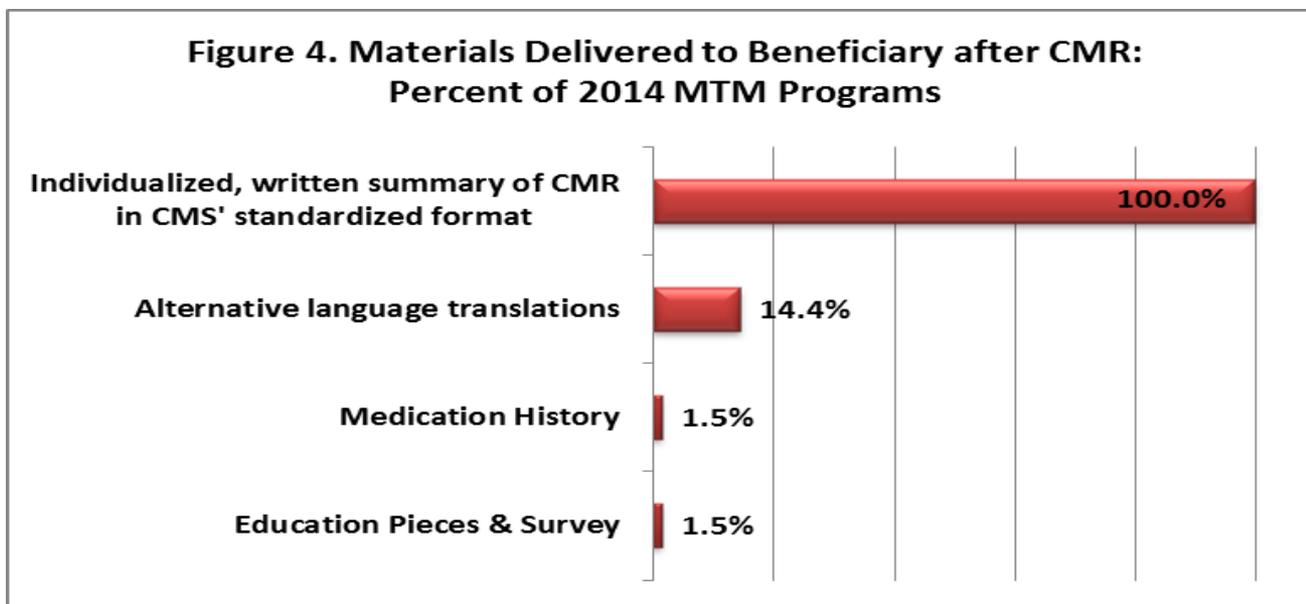
## CMR Delivery Method

- 95.8% of programs offer the interactive, person-to-person CMR consultation via the phone.
- 58.2% of programs also offer face-to-face CMRs (up from 42.4% in 2013).
- 15.9% of programs offer CMRs through telehealth technologies.

# Required MTM Services

## Materials Delivered to Beneficiary after CMR

- An individualized, written summary in CMS' standardized format is required to be delivered following each CMR.
- Over 14% of programs also provide alternative language translations (up from 9.8% in 2013).

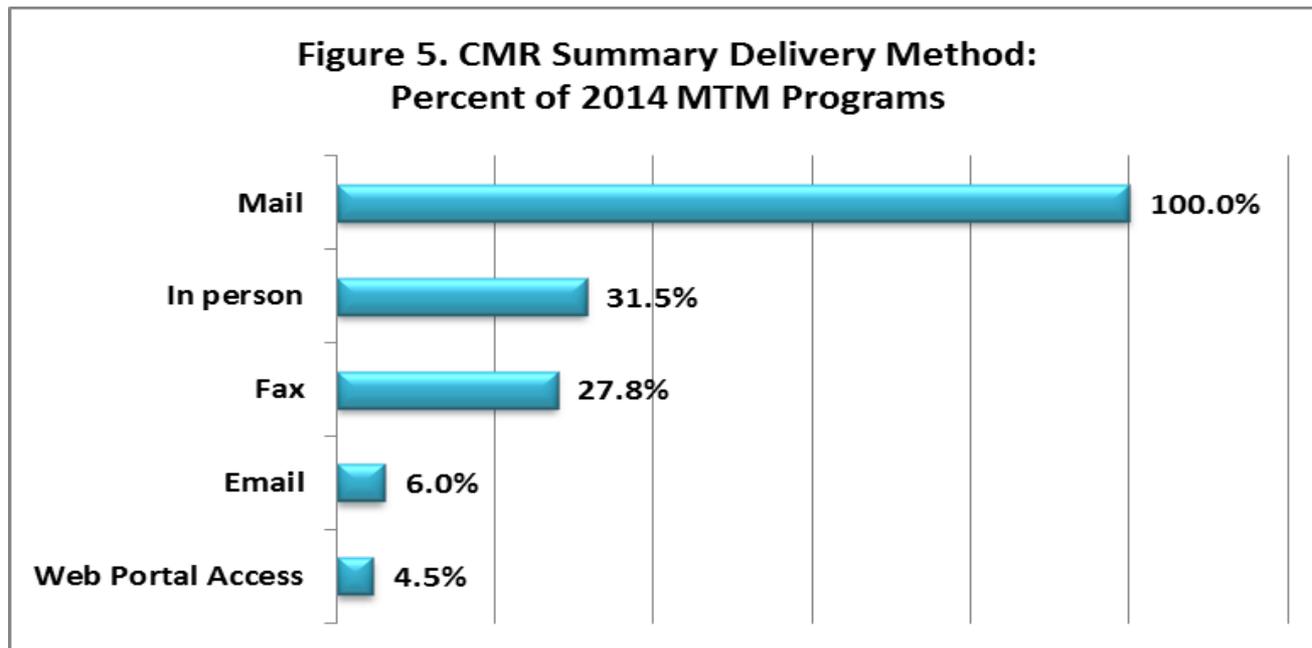


Multiple selections were allowed; not mutually exclusive.

# Required MTM Services

## CMR Summary Delivery Method

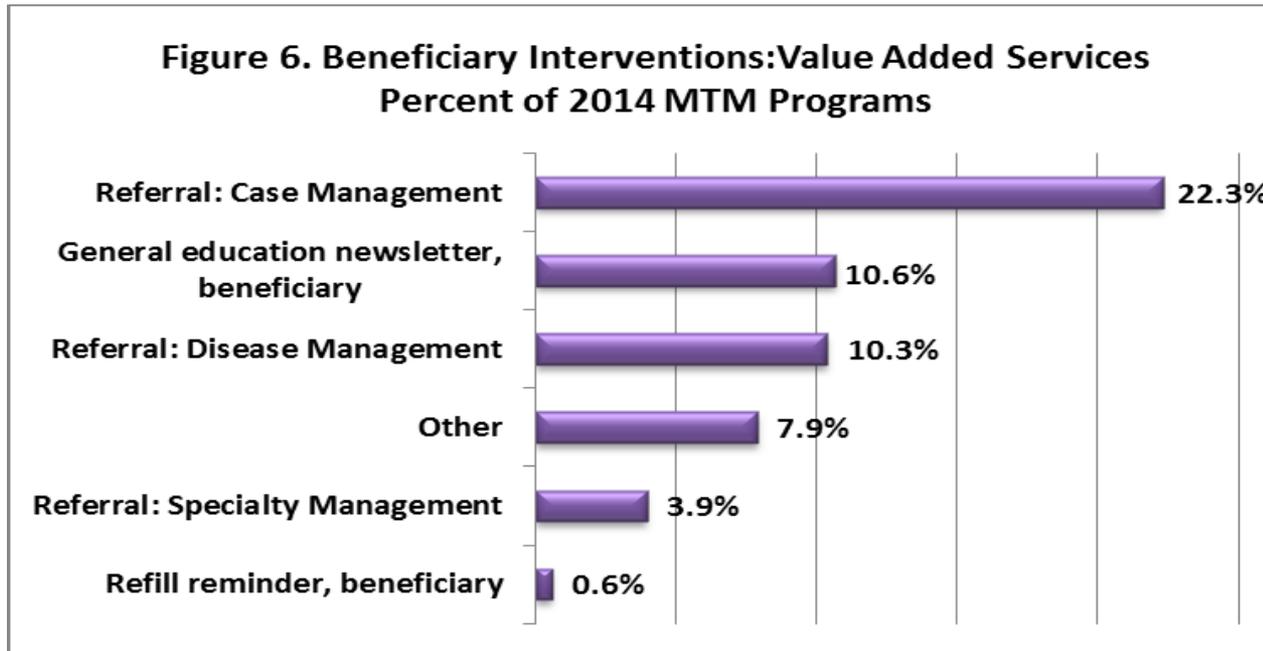
- 100% of programs provide the CMR summary in CMS' standardized format by mail. Over 31% also provide the summary in person after the CMR, and 27.8% have fax delivery.



Multiple selections were allowed; not mutually exclusive.

# Value Added Services

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



The 'Other' beneficiary interventions represent a variety of over 10 different miscellaneous interventions to improve medication use, outreach, or perform utilization management. Multiple selections were allowed; not mutually exclusive

# Required MTM Services

## Prescriber Interventions

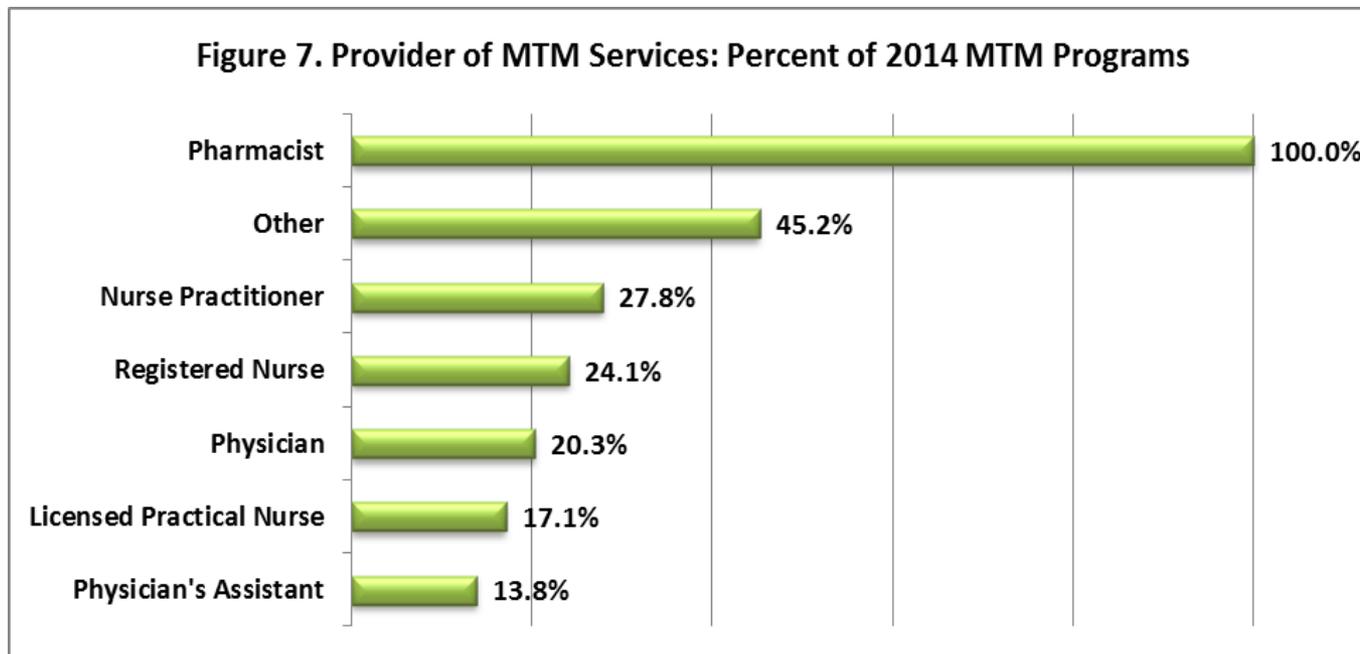
- Sponsors are required to offer interventions to the beneficiaries' prescribers.
- Therefore, 100% of MTM programs offer interventions to prescribers to resolve drug therapy problems or optimize therapy, which are delivered through a variety of methods.
  - 94.3% fax the consultations,
  - 86.6% provide mailed consultations,
  - 84.4% provide phone consultations.
- Over 23.3% also provide a patient medication list to the prescriber.

# MTM Providers (1 of 5)

- 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 of MTM services.
- These arrangements are between the Part D sponsors and the providers of the services.

# MTM Providers (2 of 5)

- 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.



'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.

# MTM Providers (3 of 5)

- Sponsors can use internal staff, outside personnel or both for delivery of MTM services (multiple selections are allowed).
- In 2014, 45.7% of programs use internal staff (up from 35.4% in 2013), and 88.3% of programs use outside personnel.
- A higher share of PDPs use outside personnel compared to MA-PDs (alone or in combination with internal staff).

# MTM Providers (4 of 5)

- 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,
  - 62.9% utilize a PBM (55.5% of all 2014 MTM programs),
  - 78.9%% utilize an MTM vendor (69.7% of all programs). This is up from 2013 in which 53.8% of programs contracted with an MTM vendor.
  - These are not mutually exclusive categories.

# Qualified Provider of CMR

- Over 60% of programs use an MTM Vendor In-house pharmacist to deliver the CMR. Over 26% use an MTM Vendor Local Pharmacist.
- Over 42% of programs use a Plan Sponsor Pharmacist, and over 11% use LTC consultant pharmacists.

**Table 3. Qualified Provider of CMR**

<b>MTM Provider of CMR</b>	<b>% of Programs</b>
<b>MTM Vendor In-house Pharmacist</b>	60.1%
<b>Plan Sponsor Pharmacist</b>	42.1%
<b>Plan Benefit Manager (PBM) Pharmacist</b>	28.4%
<b>Nurse Practitioner</b>	27.6%
<b>MTM Vendor Local Pharmacist</b>	26.5%
<b>Local Pharmacist</b>	19.5%
<b>Licensed Practical Nurse</b>	19.2%
<b>Registered Nurse</b>	18.7%
<b>Physician's Assistant</b>	13.9%
<b>Physician</b>	13.4%
<b>Long Term Care (LTC) Consultant Pharmacist</b>	11.2%

Multiple selections were allowed; not mutually exclusive.

# Highlights

- The MTM requirements remained stable; however, additional guidance was provided in the 2014 Call Letter to optimize the delivery of MTM in LTC and increase information available to beneficiaries about these services.
- In 2014, almost 20% of MTM programs use expanded eligibility requirements to offer MTM services to beneficiaries who do not meet the eligibility criteria under section 423.153(d).
- 100% of programs use pharmacists to provide MTM services, and an increasing percentage of programs (almost 70%) have contracted with third party MTM vendors.
- Over 95% 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 (58.2% in 2014 compared to 42.4% in 2013).

# Additional Resources

Annual Guidance and Standardized Format:

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

Annual Final Call Letter (Announcement):

- [CMS website](#) > Medicare > Medicare Advantage Rates & Statistics > Announcements and Documents

Resources:

- Part D MTMP Policy and Operations Help:  
Email to [PartD\\_MTM@cms.hhs.gov](mailto:PartD_MTM@cms.hhs.gov)