



2016 Medicare Part D Medication Therapy Management (MTM) Programs



Fact Sheet

Summary of
2016 MTM Programs

May 4, 2016

Discussion Topics

- Background
- Highlights from 2016 Call Letter
- Annual Review
- Characteristics of 2016 MTM Programs
- Summary

Background

- Under 42 CFR §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 2016

Final Call Letter (1 of 3)

- MTM Program Completion Rate for Comprehensive Medication Reviews (CMR) measure was added to the Part D Star Ratings for 2016 as a process measure (given a weight of 1).
 - The specifications used for the 2015 display measure will also be used for the 2016 Star Ratings measure.

Part C and Part D Star Ratings and Display Measures are posted at:

<http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/PerformanceData.html>

2016 Call Letter is available at: <http://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Announcement2016.pdf>

Highlights from 2016

Final Call Letter (2 of 3)

- The MTM program annual cost threshold is updated for 2016 using the annual percentage increase of 11.76%, as specified in the Calendar Year (CY) 2016 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies. Therefore, the 2016 MTM program annual cost threshold is \$3,507.
- CMS is piloting program audit protocols in 2016, including compliance with Part D sponsors' MTM programs.

Highlights from 2016

Final Call Letter (3 of 3)

- We remind sponsors that our expectations for their MTM webpages are included in the annual MTM program guidance and submission instructions memo.
 - During a recent assessment of beneficiary experience using sponsors' MTM webpages, beneficiaries found that it was often difficult for them to navigate to the MTM webpage using the search options and hyperlinks, sometimes requiring more than two clicks.
 - Increasing font sizes and using lay language will help beneficiaries to read and understand the content of the MTM webpage.

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 2016, there are 623 Part D contracts with an approved MTM program.
 - 495 Medicare Advantage prescription drug plans (MA-PDs).
 - 67 stand-alone prescription drug plans (PDPs), including Employer contract MTM programs.
 - 61 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 2016 MTM program applications approved during the annual review in Spring 2015 and changes approved during the September 2015 and April 2016 update windows as of April 8, 2016.

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 §423.153(d).
- In 2016, almost 25% of MTM programs use expanded eligibility requirements beyond CMS' minimum requirements.
 - A slight increase compared to 24% of programs in 2015.

Table 1. Percent of 2016 MTM Programs with Expanded Eligibility Criteria

Eligibility Criteria	# of Programs	% of Programs
Only target enrollees who meet the specified targeting criteria per CMS requirements	468	75.1%
Use Expanded Criteria: Target both enrollees who meet the specified targeting criteria per CMS requirements and enrollees who meet other plan-specific targeting criteria	155	24.9%
Total	623	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 2016 MTM program annual cost threshold is \$3,507, as compared to \$3,138 in 2015.
- The following information describes sponsors' eligibility criteria per CMS requirements, and do not reflect any expanded criteria.

Eligibility Criteria

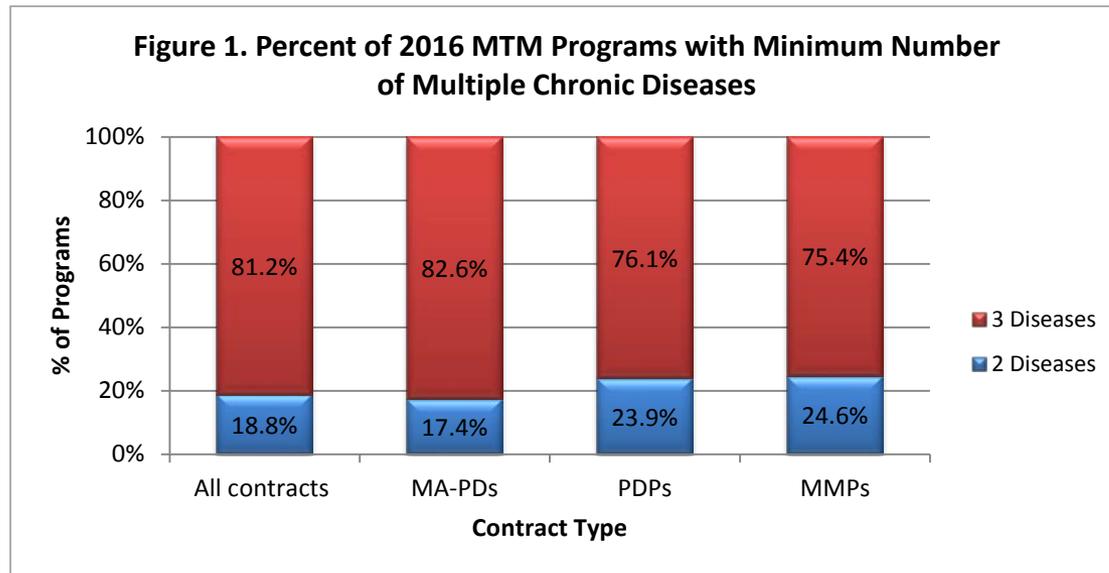
1. Have Multiple Chronic Diseases (1 of 6)

- Each program sets the minimum number of chronic conditions a beneficiary must have for MTM program eligibility.
- The MTM requirements establish both a ceiling and a floor for the minimum number of conditions that may be required.
- Sponsors may set this minimum threshold at two or three.
- 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)

- Just over 81% of 2016 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, less than 1% of 2016 programs are targeting beneficiaries with any chronic diseases, and over 99% are targeting beneficiaries with specific chronic diseases.

Eligibility Criteria

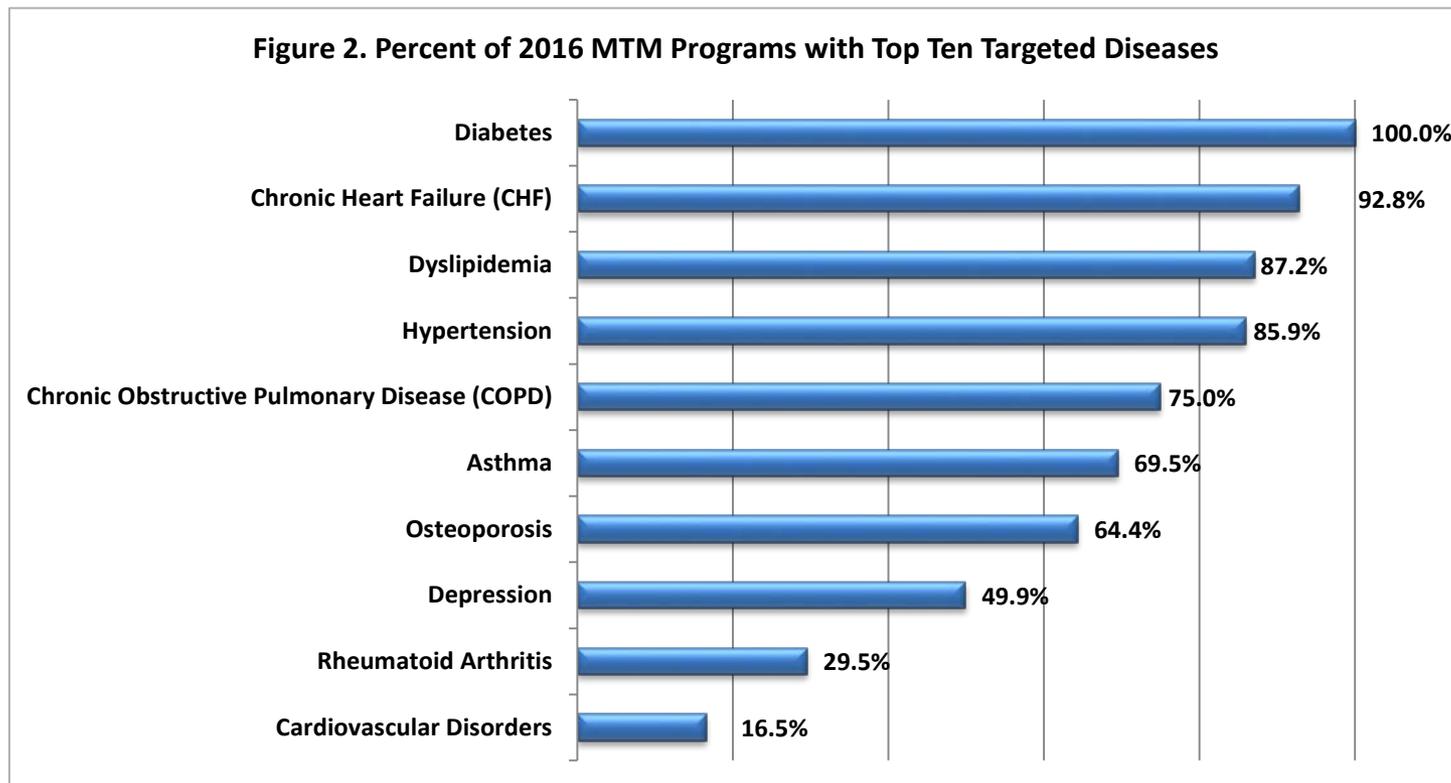
1. Have Multiple Chronic Diseases (4 of 6)

- 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), Dyslipidemia, and Hypertension remain the top targeted diseases in 2016.



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 2016 MTM programs include:
 - HIV/AIDS (15.7%);
 - End-Stage Renal Disease (ESRD)(15.6%);
 - Hepatitis C (14.1%);
 - Osteoarthritis (12.0%);

Eligibility Criteria

2. Take Multiple Part D Drugs (1 of 3)

- Each program also 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. Take Multiple Part D Drugs (2 of 3)

- Over 57% of programs target beneficiaries who have filled at least eight covered Part D drugs.

Table 2. Percent of 2016 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	1.4%	1.4%	0.0%	3.3%
3	0.8%	0.8%	1.5%	0.0%
4	3.0%	2.2%	7.5%	4.9%
5	5.8%	6.1%	1.5%	8.2%
6	13.3%	11.9%	16.4%	21.3%
7	18.3%	17.6%	22.4%	19.7%
8	57.3%	60.0%	50.7%	42.6%

Eligibility Criteria

2. Take Multiple Part D Drugs (3 of 3)

- 13.5% of programs allow any Part D drug to qualify for this requirement in 2016. This is a decrease of more than 3 percentage points from 2015.
- The remaining programs require Part D drugs for chronic conditions (74.5%) or specific Part D drug classes (12.0%), both increases from 2015.

Eligibility Criteria

3. Likely to Incur \$3,507 for Covered Part D Drugs

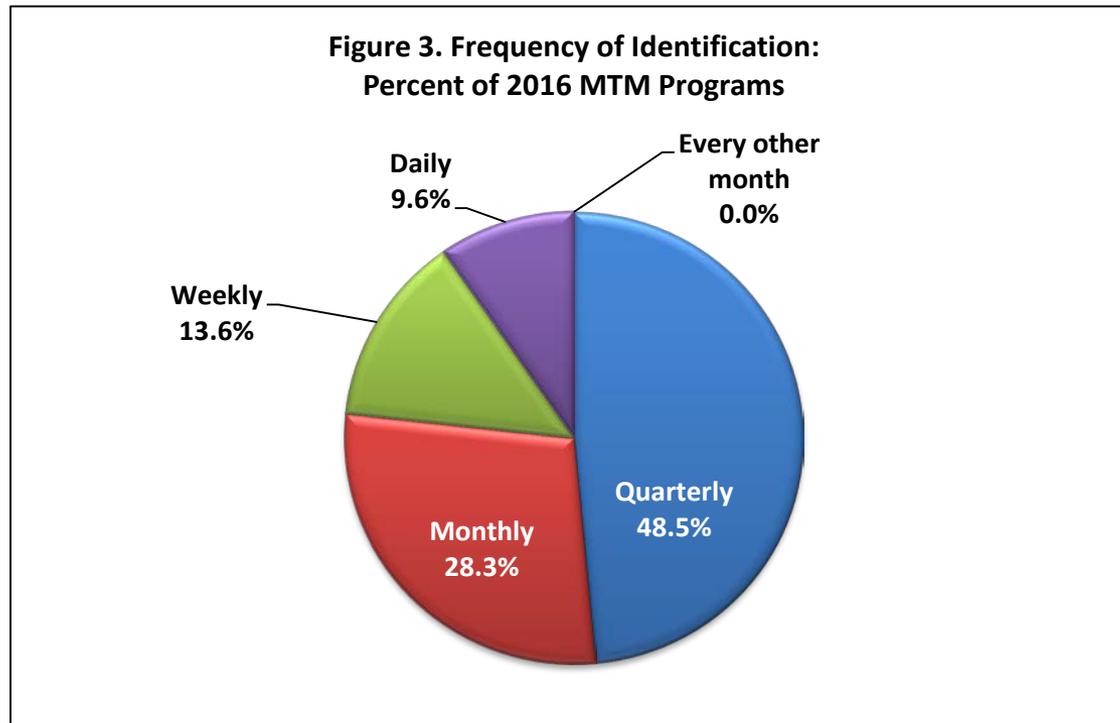
- The sponsor must provide a description of the analytical procedure used when determining if a beneficiary is likely to incur the annual cost threshold for 2016.
- The description may include the specific threshold(s), formula, or criteria of their model.
- MTM programs in 2016 continue to apply varying cost threshold methodologies, but almost three-quarters of analyses (79.4% 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 49% of the programs identify eligible beneficiaries quarterly and over 28% identify beneficiaries monthly. Others target more frequently.



Data Sources Used for Eligibility Identification

- Almost all MTM programs use drug claims data to identify eligible beneficiaries for their MTM programs in 2016.
- In addition, 19.4% of MTM programs also use medical data to identify eligible beneficiaries (21.2% of MA-PDs, 4.5% of PDPs, and 21.3% of MMPs). With the exception of the MMPs, this is a decrease from 2015.
- Sponsors use other types of data to aid with identification (4.3% use information collected from the beneficiaries, and 3.7% use laboratory data and health assessments). 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

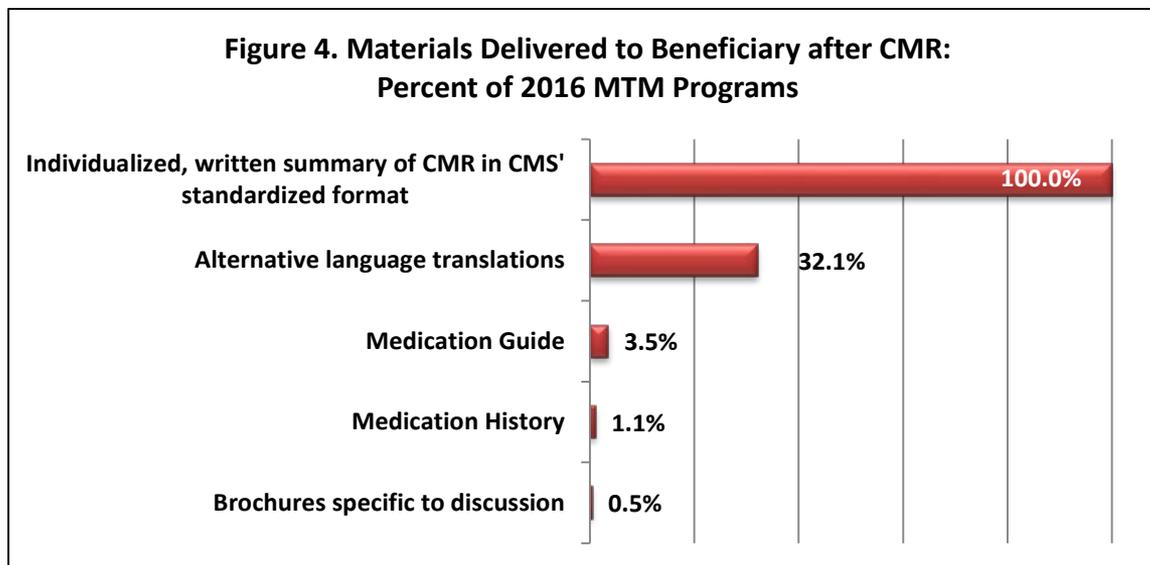
CMR Delivery Method

- 100% of programs offer the interactive, person-to-person CMR consultation via the phone.
- 75% of programs also offer face-to-face CMRs. This is a major increase from 2015 (57.5%).
- 36.1% of programs offer CMRs through telehealth technologies. This is a notable increase from 2015 (15.7%)

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.
- More than 32% of programs also provide alternative language translations, more than double from 2015.

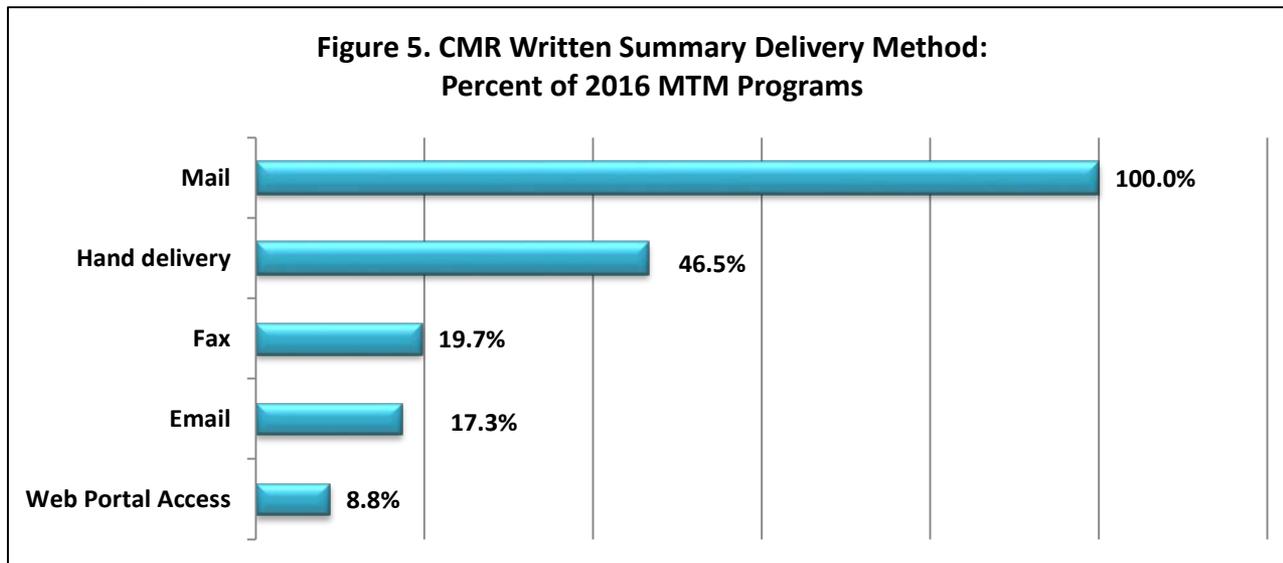


Multiple selections were allowed; not mutually exclusive.

Required MTM Services

CMR Summary Delivery Method

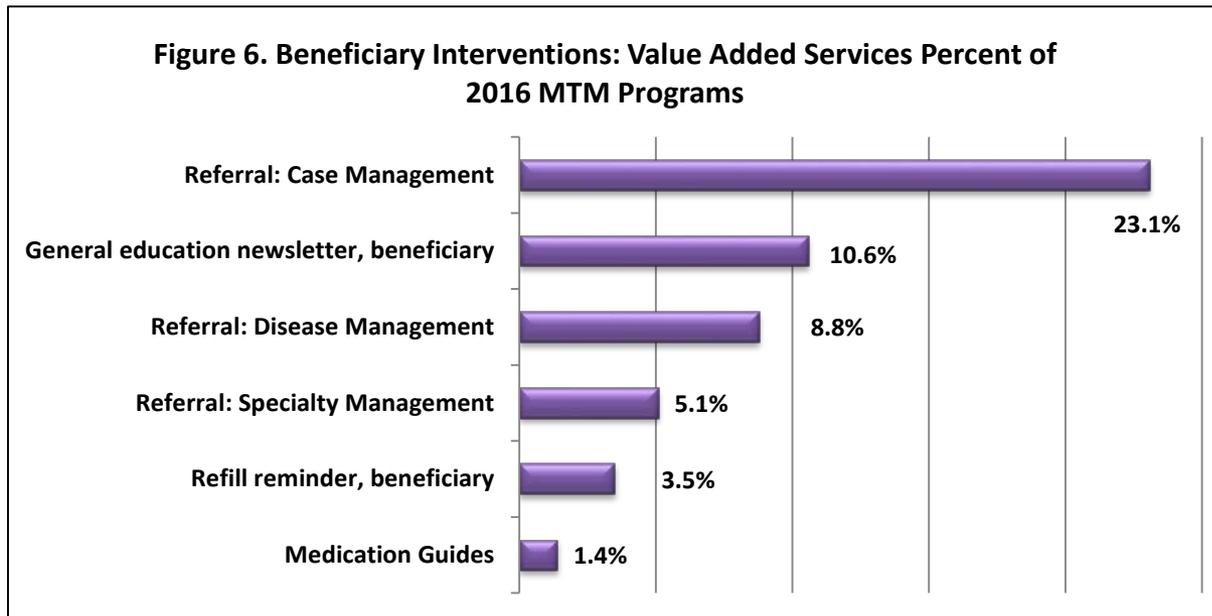
- 100% of programs provide the CMR summary in CMS' standardized format by mail. Over 46% also provide the summary in person after the CMR, which is over a 10 percentage point increase from 2015. 19.7% have fax delivery.



Multiple selections were allowed; not mutually exclusive.

Value Added Services

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



Multiple selections were allowed; not mutually exclusive.

Required MTM Services

Prescriber Interventions

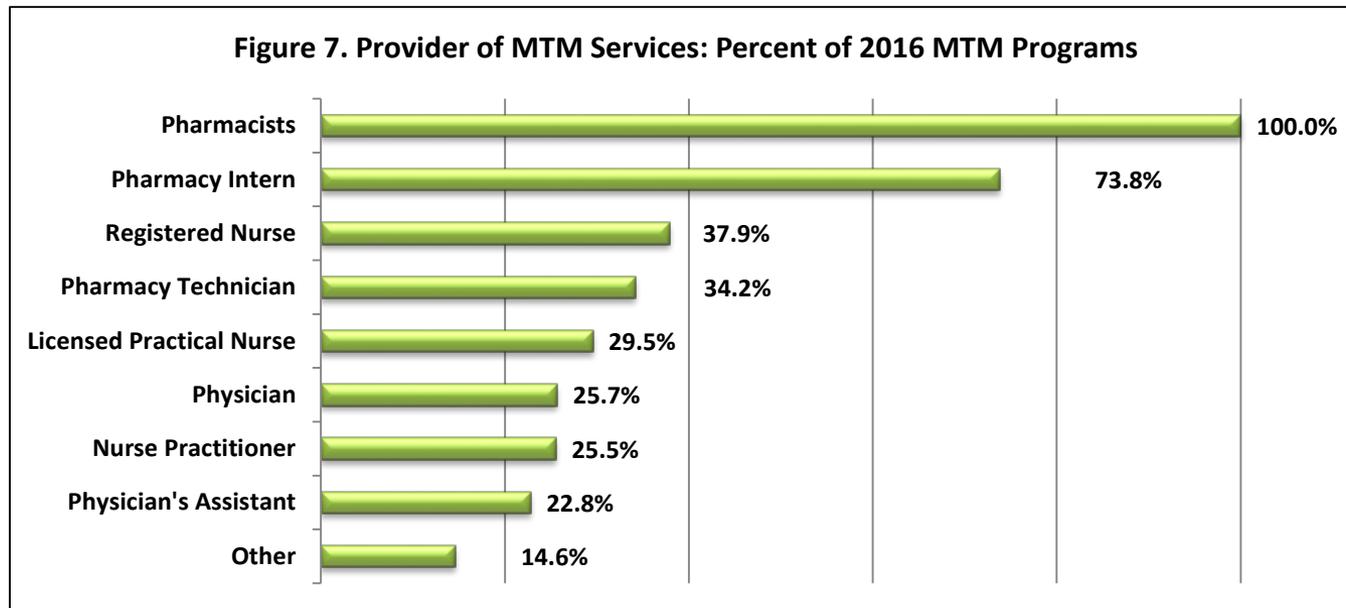
- Sponsors are required to offer interventions to the beneficiaries' prescribers.
- Therefore, 100% of MTM programs offer interventions to prescribers to resolve drug therapy problems or optimize therapy, which are delivered through a variety of methods.
 - 97.6% fax the consultations,
 - 92.0% provide mailed consultations,
 - 93.7% provide phone consultations (10% increase from 2015).
- Over 22.5% 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.



Non-Qualified MTM providers, such as pharmacy technicians, pharmacy students/interns, and case workers may be used as support staff to assist the qualified MTM providers. 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 2016, 39.5% of programs use internal staff (up from 32.5% in 2015), and 95.4% of programs use outside personnel (up from 90.4% in 2015).
- 100% of MMPs use outside personnel in 2016.

MTM Providers (4 of 5)

- Outside personnel may include a Prescription Benefit Manager (PBM) company, MTM vendor, disease management vendor, community pharmacists, LTC pharmacists, or others.
- Of the programs that use outside personnel,
 - 59.1% use a PBM (56.3% of all 2016 MTM programs). This is a decrease from 2015.
 - 84.2% use an MTM vendor (80.3% of all programs). This is up from 2015 in which 80.9% of programs contracted with an MTM vendor.
 - These are not mutually exclusive categories.

Qualified Provider of CMR

- 76% of programs use MTM vendor in-house pharmacists to deliver the CMR. Approximately 68% use pharmacy interns supervised by qualified pharmacists.
- Over 39% of programs use plan sponsor pharmacists.

Table 3. 2016 MTM Programs: Qualified Provider of CMR

MTM Provider of CMR	% of Programs
MTM Vendor In-house Pharmacist	75.9%
Pharmacy intern under the direct supervision of a pharmacist	67.7%
MTM Vendor Local Pharmacist	51.8%
Plan Sponsor Pharmacist	38.7%
Registered Nurse	30.7%
Plan Benefit Manager (PBM) Pharmacist	27.6%
Licensed Practical Nurse	24.9%
Other	22.2%
Nurse Practitioner	21.5%
Physician	20.1%

Multiple selections were allowed; not mutually exclusive.

Highlights

- The annual cost threshold for 2016, \$3,507, is more than 11% higher than the 2015 threshold (\$3,138).
- While all programs offer CMRs via the telephone, the percentage of programs offering face-to-face and telehealth CMRs has increased significantly.
- The percent of programs that offer the CMR face-to-face remains high (75%), and all programs offer the CMR via the phone.
- The percent of programs providing alternative language translations more than doubled from 2015.
- All programs use pharmacists to provide MTM services, and an increasing percentage of programs have contracted with outside vendors. Pharmacy interns under direct pharmacist supervision are also being used to provide these services.

Additional Resources

MTM Program webpage on CMS.gov:

- [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