# 2017 Medicare Part D Medication Therapy Management (MTM) Programs

## Fact Sheet

**Summary of**

**2017 MTM Programs**

*August 16, 2017*

# Discussion Topics

- Background

- Highlights from 2017 Call Letter

- Annual Review

- Characteristics of 2017 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 2017 Final Call Letter

- An attestation of the Part D sponsor's compliance with Part D MTM program requirements was added to the MTM submission module in the Health Plan Management System (HPMS).

- Sponsors must attest to meeting the MTM program requirements during the annual submission and re-attest when they submit change requests.

*The CY 2017 Medication Therapy Management Program Guidance and Submission Instructions memo is available at: https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Memo-Contract-Year-2017-Medication-Therapy-Management-MTM-Program-Submission-v-040816.pdf*

*2017 Call Letter is available at: https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Announcement2017.pdf*

# Highlights from 2017 Final Call Letter

- The MTM program annual cost threshold is updated for 2017 using the annual percentage increase of 11.75%, as specified in the Calendar Year (CY) 2017 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies. Therefore, the 2017 MTM program annual cost threshold is $3,919.

- CMS is continuing the pilot MTM audit protocol in 2017.

# Highlights from 2017
# Final Call Letter (3 of 3)

- The CMS Innovation Center announced the Part D Enhanced MTM Model, an opportunity for stand-alone basic Prescription Drug Plans (PDPs) in selected regions to offer innovative MTM programs aimed at improving the quality of care while also reducing costs.

- The Enhanced MTM Model test began January 1, 2017 with a five-year performance period.

- The current MTM requirements are waived for the plans approved to participate in the model and data on participating plans must not be reported per the Part D Reporting Requirements under the current MTM program.

*More information about the test model is available at https://innovation.cms.gov/initiatives/enhancedmtm/*

# Annual Review

- 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 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

- In 2017, there are 592 Part D contracts with an approved MTM program.
  - 475 Medicare Advantage prescription drug plans (MA-PDs).
  - 59 stand-alone prescription drug plans (PDPs), including Employer contract MTM programs.
  - 58 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 2017 MTM program applications approved during the annual review in Spring 2016 and changes approved during the September 2016 and April 2017 update windows as of April 12, 2017.

# 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 2017, over 26% of MTM programs use expanded eligibility requirements beyond CMS' minimum requirements.
  - A slight increase compared to 25% of programs in 2016.

**Table 1. Percent of 2017 MTM Programs with Expanded Eligibility Criteria**

| Eligibility Criteria | # of Programs | % of Programs |
|---|---|---|
| Only target enrollees who meet the specified targeting criteria per CMS requirements | 435 | 73.5% |
| Use Expanded Criteria: Target both enrollees who meet the specified targeting criteria per CMS requirements and enrollees who meet other plan-specific targeting criteria | 157 | 26.5% |
| **Total** | **592** | **100.0%** |

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# 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 2017 MTM program annual cost threshold is $3,919, as compared to $3,507 in 2016.

- The following information describes sponsors' eligibility criteria per CMS requirements, and do not reflect any expanded criteria.

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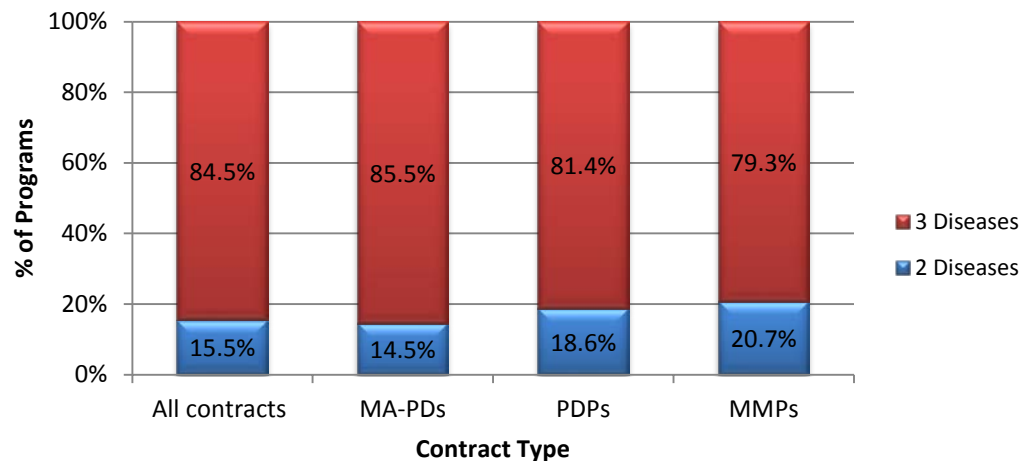## 1. Have Multiple Chronic Diseases (1 of 6)

- 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 84% of 2017 programs target beneficiaries with at least three chronic diseases, an increase of about 3 percentage points compared to 2016.

**Figure 1. Percent of 2017 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, less than 1% of 2017 programs are targeting beneficiaries with any chronic diseases, and over 99% are targeting beneficiaries with specific chronic diseases.
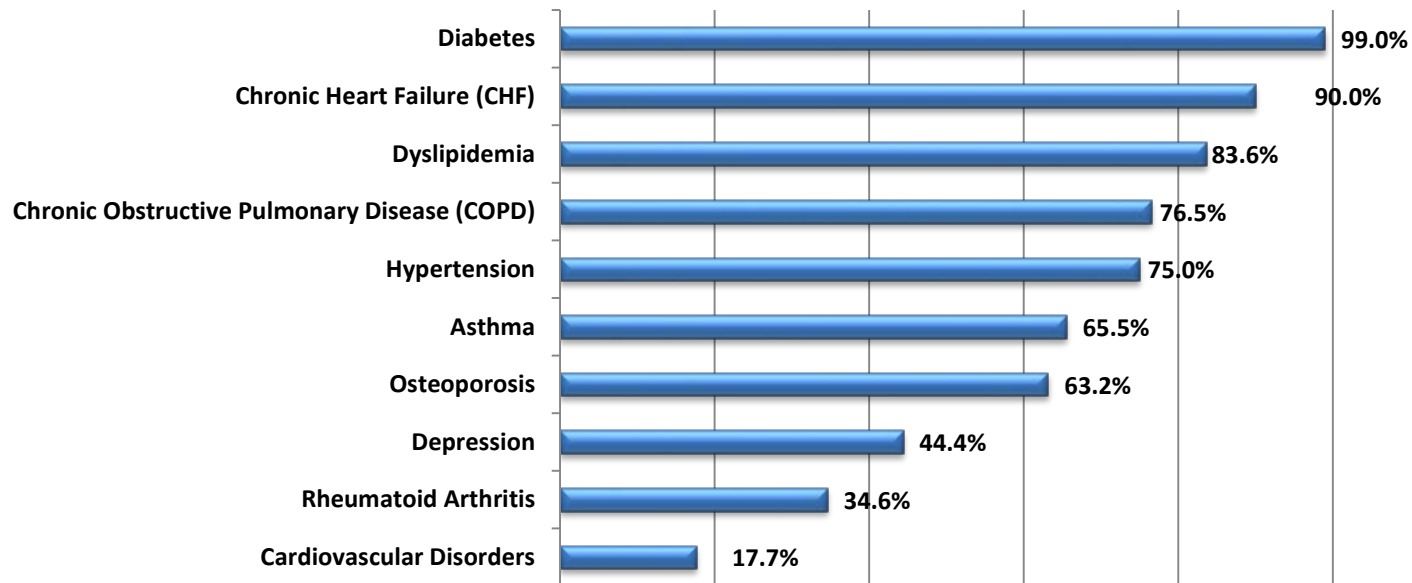
- If sponsors choose to target beneficiaries with specific chronic diseases, they should include at least five of the nine core chronic conditions.

- 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 remain the top targeted diseases in 2017 with COPD replacing hypertension as the 4th most targeted disease.

**Figure 2. Percent of 2017 MTM Programs with Top Ten Targeted Diseases**

| Disease | Percent |
|---|---|
| Diabetes | 99.0% |
| Chronic Heart Failure (CHF) | 90.0% |
| Dyslipidemia | 83.6% |
| Chronic Obstructive Pulmonary Disease (COPD) | 76.5% |
| Hypertension | 75.0% |
| Asthma | 65.5% |
| Osteoporosis | 63.2% |
| Depression | 44.4% |
| Rheumatoid Arthritis | 34.6% |
| Cardiovascular Disorders | 17.7% |

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 2017 MTM programs include:

    - End-Stage Renal Disease (ESRD)(16.9%);

    - HIV/AIDS (13.5%);

    - Hepatitis C (13.0%);

    - Alzheimer's Disease (12.3%);

- 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)

- 66% of programs target beneficiaries who have filled at least eight covered Part D drugs.

**Table 2. Percent of 2017 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 | 1.5% | 1.3% | 0.0% | 5.2% |
| 3 | 0.8% | 1.1% | 0.0% | 0.0% |
| 4 | 2.7% | 2.3% | 5.1% | 3.4% |
| 5 | 4.7% | 4.4% | 1.7% | 10.3% |
| 6 | 8.1% | 7.6% | 5.1% | 15.5% |
| 7 | 16.0% | 15.6% | 20.3% | 15.5% |
| 8 | 66.0% | 67.8% | 67.8% | 50.0% |

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

- 12.7% of programs allow any Part D drug to qualify for this requirement in 2017.

- The remaining programs require Part D drugs for chronic conditions (77.4%) or specific Part D drug classes (10.0%). The percentage of programs requiring chronic or maintenance drugs has increased, while the percentage of programs requiring specific Part D drug classes has decreased.

# Eligibility Criteria
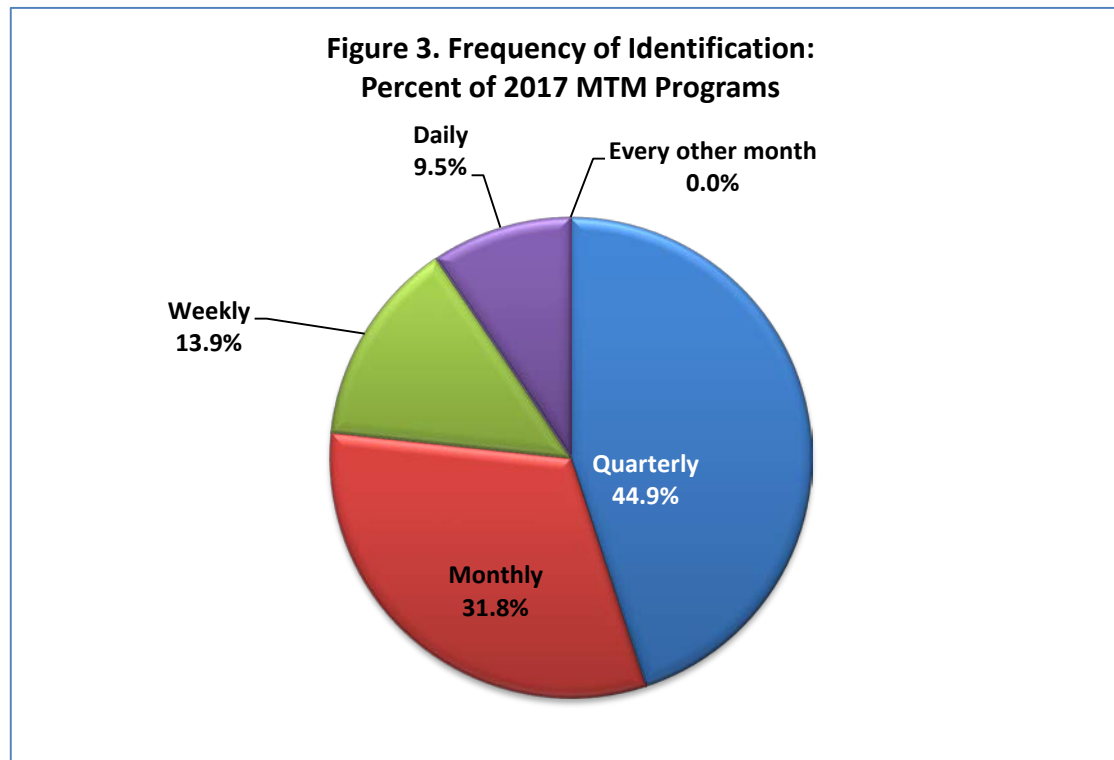## 3. Likely to Incur $3,919 for Covered Part D Drugs

- 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 2017.

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

- MTM programs in 2017 continue to apply varying cost threshold methodologies, but more than three-quarters of analyses (78.7% 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 45% of the programs identify eligible beneficiaries quarterly and over 31% identify beneficiaries monthly. Others target more frequently.

**Figure 3. Frequency of Identification: Percent of 2017 MTM Programs**

Daily 9.5%

Every other month 0.0%

Weekly 13.9%

Quarterly 44.9%

Monthly 31.8%

# Data Sources Used for Eligibility Identification

- Almost all MTM programs use drug claims data to identify eligible beneficiaries for their MTM programs in 2017.

- In addition, 21.1% of MTM programs also use medical data to identify eligible beneficiaries (22.9% of MA-PDs, 5.1% of PDPs, and 22.4% of MMPs).  This is an increase from 2016 for all contract types.

- Sponsors use other types of data to aid with identification (4.7% use information collected from the beneficiaries, and 4.1% use laboratory data and/or 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.*
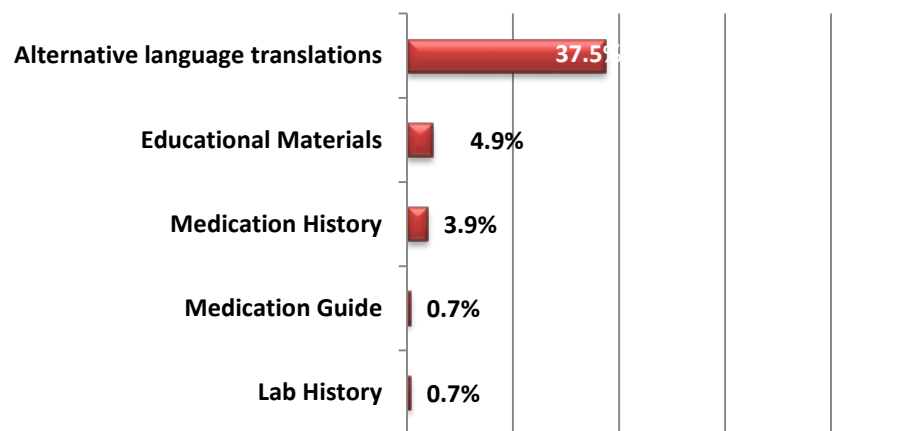
# Required MTM Services
## CMR Delivery Method

- Almost all programs offer the interactive, person-to-person CMR consultation via the phone.

- 82.4% of programs also offer face-to-face CMRs.  This is an increase from 2016 (75.0%).

- 48.3% of programs offer CMRs through telehealth technologies.  This is a notable increase from 2016 (36.1%)

# 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 37% of programs also provide alternative language translations.

**Figure 4. Materials Delivered to Beneficiary after CMR:**
**Percent of 2017 MTM Programs**

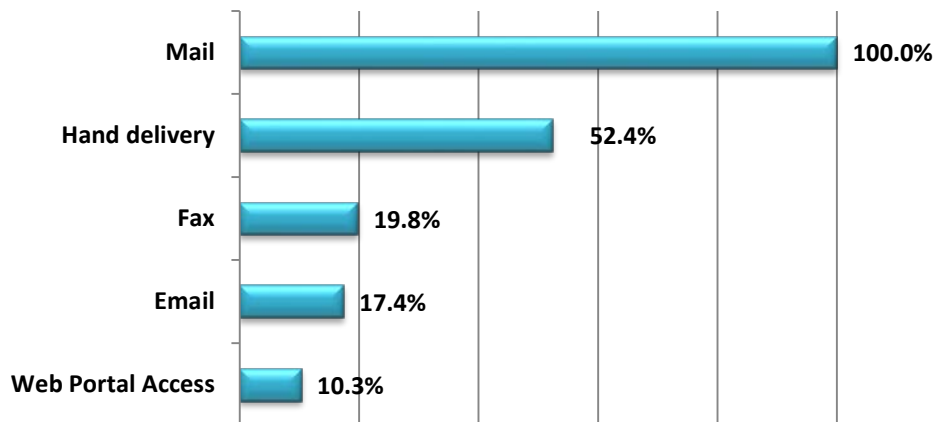| Material | Percent |
|---|---|
| Alternative language translations | 37.5% |
| Educational Materials | 4.9% |
| Medication History | 3.9% |
| Medication Guide | 0.7% |
| Lab History | 0.7% |

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 52% also provide the summary in person after the CMR, which is an 8 percentage point increase from 2016. 19.8% have fax delivery.

**Figure 5. CMR Written Summary Delivery Method:**
**Percent of 2017 MTM Programs**

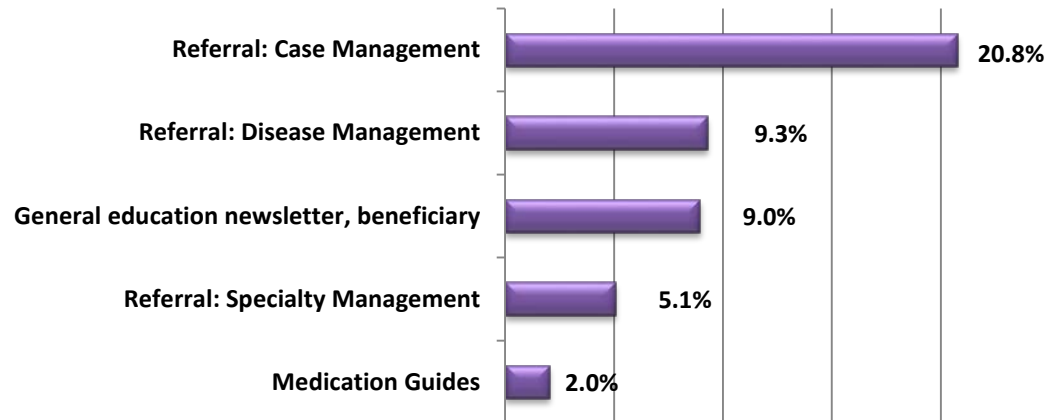| Method | Percent |
|---|---|
| Mail | 100.0% |
| Hand delivery | 52.4% |
| Fax | 19.8% |
| Email | 17.4% |
| Web Portal Access | 10.3% |

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 2017 MTM Programs**

| Category | Percent |
|---|---|
| Referral: Case Management | 20.8% |
| Referral: Disease Management | 9.3% |
| General education newsletter, beneficiary | 9.0% |
| Referral: Specialty Management | 5.1% |
| Medication Guides | 2.0% |

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.

  - 99.7% fax the consultations,

  - 95.6% provide phone consultations,

  - 88.3% provide mailed consultations.

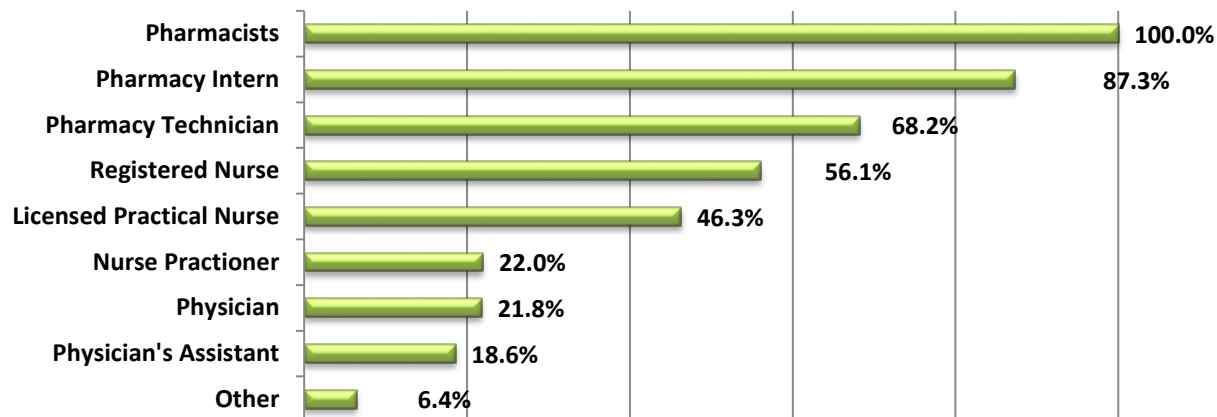- Over 22.8% also provide a patient medication list to the prescriber.

# MTM Providers

- 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 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 2017 MTM Programs**

| Provider | Percent |
|---|---|
| Pharmacists | 100.0% |
| Pharmacy Intern | 87.3% |
| Pharmacy Technician | 68.2% |
| Registered Nurse | 56.1% |
| Licensed Practical Nurse | 46.3% |
| Nurse Practioner | 22.0% |
| Physician | 21.8% |
| Physician's Assistant | 18.6% |
| Other | 6.4% |

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

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

- In 2017, 53.2% of programs use internal staff (up from 39.5% in 2016), and 92.9% of programs use outside personnel (down slightly from 95.4% in 2016).

# MTM Providers

- 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,
  - 56.0% use a PBM (52.0% of all 2017 MTM programs).  This is a small decrease from 2016.
  - 84.7% use an MTM vendor (78.7% of all programs).  This is similar to the percent of 2016 of programs that contracted with an MTM vendor.
  - These are not mutually exclusive categories.

# Qualified Provider of CMR

- Nearly 74% of programs use MTM vendor in-house pharmacists to deliver the CMR. Approximately 82% use pharmacy interns supervised by qualified pharmacists.

- Over 54% of programs use MTM Vendor Local Pharmacists.

**Table 3. 2017 MTM Programs: Qualified Provider of CMR**

| MTM Provider of CMR | % of Programs |
|---|---|
| Pharmacy intern under the direct supervision of a pharmacist | 82.4% |
| MTM Vendor In-house Pharmacist | 73.8% |
| MTM Vendor Local Pharmacist | 54.2% |
| Plan Sponsor Pharmacist | 51.5% |
| Registered Nurse | 46.3% |
| Plan Benefit Manager (PBM) Pharmacist | 41.9% |
| Licensed Practical Nurse | 38.2% |
| Other | 22.8% |
| Nurse Practitioner | 20.9% |
| Long Term Care (LTC) Consultant Pharmacist | 20.4% |
| Physician | 19.9% |
| Local Pharmacist | 18.9% |
| Physician's Assistant | 18.4% |

Multiple selections were allowed; not mutually exclusive.

# Highlights

- The annual cost threshold for 2017, $3,919 is more than 11% higher than the 2016 threshold ($3,507).
- An attestation of part D sponsor compliance with MTM requirements was added to the HPMS MTM program submission module this year.
- While all programs offer CMRs via the telephone, the percentage of programs offering face-to-face and telehealth CMRs continues to increase.
- The percentage of programs using in-house staff to deliver CMRs has increased from last year.
- All programs use pharmacists to provide MTM services, and an increasing percentage of programs use pharmacy interns under direct pharmacist supervision.

# 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