

CMS Perspective:

Enhanced Medication Therapy Management (MTM)

Second Annual Evaluation Report and Next Steps in MTM

November 2020

For information on the Enhanced MTM model and to download the independent evaluation report discussed in this document, please visit

<https://innovation.cms.gov/innovation-models/enhancedmtm>



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The Part D Enhanced Medication Therapy Management (MTM) model tests whether providing Part D sponsors with additional payment incentives and regulatory flexibilities promotes enhancements in their MTM programs, leading to improved therapeutic outcomes, while reducing net Medicare expenditures. The model is an opportunity for stand-alone basic Part D plans to right-size their investments in MTM services, identify and implement innovative strategies to optimize medication use, improve care coordination, and strengthen health care system linkages. The Enhanced MTM model test began January 1, 2017 with a five-year performance period ending on December 31, 2021.

Six Part D Sponsors participate in the Enhanced MTM model: Blue Cross and Blue Shield of Florida, Inc.; Blue Cross and Blue Shield Northern Plains Alliance; CVS Health; Humana Insurance; UnitedHealthcare; and WellCare Prescription Insurance Co.

The second annual independent evaluation report assessed the Model's performance through its first two years of implementation, ending in December 2018. It finds that Sponsors continue to utilize the model's flexibilities to broaden the eligibility of its enrollees to receive medication therapy management. The Sponsors deployed more advanced analytics on a broader set of patient data sources to better identify enrollees who could benefit from MTM interventions tailored to their needs. Sponsors introduced new interventions in the second year of model, increasing the number and percentage of enrollees who received MTM services. In particular, services that included interactive consultations with plan enrollees increased.

The report did not find meaningful impacts on Medicare's expenditures. Medicare Part A and B spending by enrollees in the Model declined relative to their comparators. However, these spending reductions were not statistically different from zero. Medicare's prospective and performance-based payments to sponsors were slightly larger than the reductions in Medicare Part A and B spending. After factoring in these payments, Medicare's expenditures on the model increased and resulted in a net loss to Medicare of \$80 million over the first two years of implementation. The model did result in significant reductions in spending for inpatient and skilled nursing facilities. This is in line with expectations that the model would result in fewer adverse drug events and complications of chronic conditions, which may reduce hospitalizations, and consequently use of skilled nursing facilities. These reductions, however, were offset by increases in outpatient spending. Greater patient-prescriber interaction from the model could be leading to overall increases in outpatient use and spending.

The model continues to face the challenges similar to traditional MTM in getting prescribers to accept and adopt the recommendations by Sponsors to make changes in their beneficiaries' medication regimes. Most prescribers did report making medication changes for their patients after contact from a prescription drug plan but continued to have some unfavorable views on the effect of the plans on their patient care. More work is needed to improve the productive relationship between prescription drug plans and prescribers to ensure MTM interventions are benefiting patients.

From the inception of the Part D Program, the importance of Medication Therapy Management was recognized and consequently incorporated into the Part D Program. With financial incentives and regulatory flexibilities permitting Sponsors to tailor interventions to individual populations, the Enhanced Medication Therapy Management Model demonstrates that Sponsors are willing to take the existing MTM program and offer it to a broader population. However, given that the Model has not resulted in net savings for CMS, it is unlikely that the financial incentive structure used in this model will be incorporated into future initiatives. CMS is actively looking at these and other lessons learned from the Enhanced MTM model to inform future work and model design.