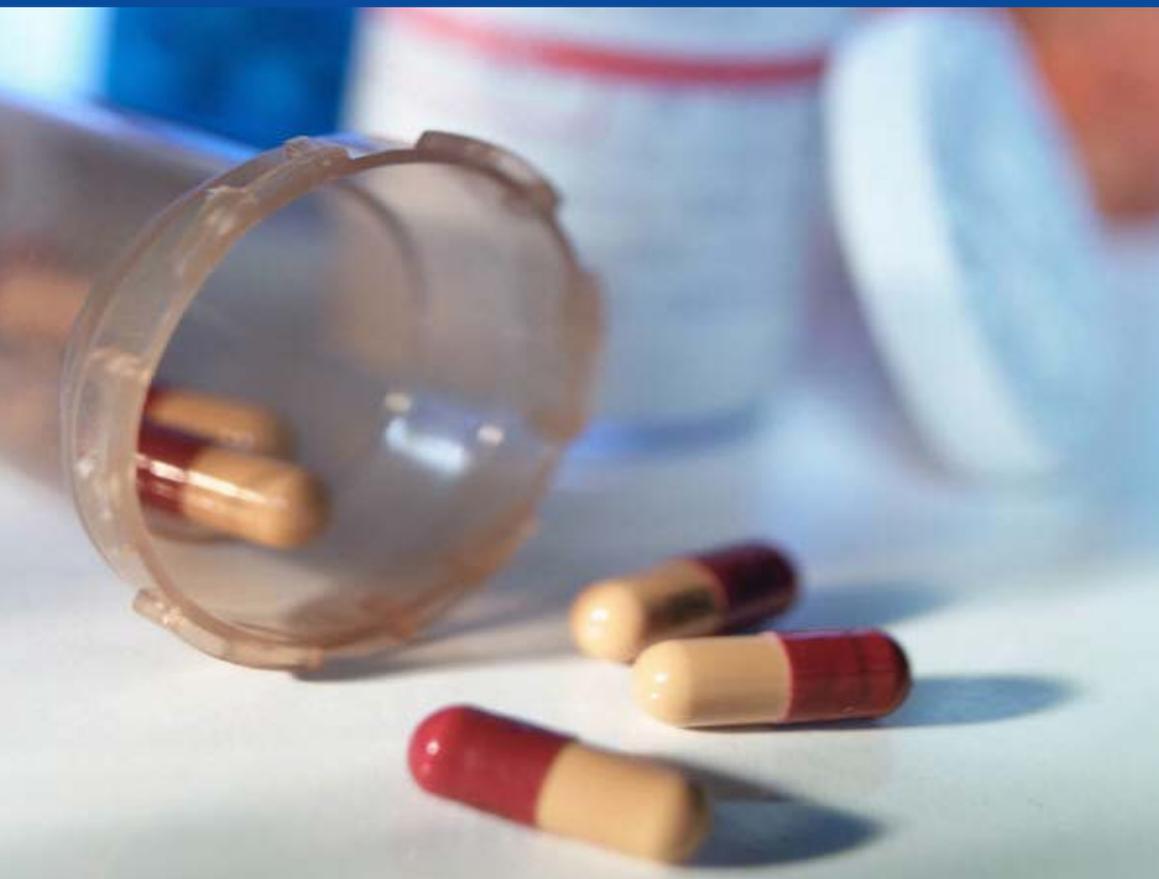




# 2018 Medicare Part D Medication Therapy Management (MTM) Programs



## Fact Sheet

Summary of  
2018 MTM Programs

*August 20, 2018*

# Discussion Topics

- Background
- Highlights from 2018 Call Letter
- Annual Review
- Characteristics of 2018 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 2018

## Final Call Letter (1 of 2)

- The CY 2018 Medication Therapy Management Program Guidance and Submission Instructions memo  
<https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Memo-Contract-Year-2018-Medication-Therapy-Management-MTM-Program-Submission-v-041817.pdf>
- 2018 Call Letter  
<https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Downloads/Announcem ent2018.pdf>

# Highlights from 2018

## Final Call Letter (2 of 2)

- The MTM program annual cost threshold is updated for 2018 using the annual percentage increase of 1.22%, as specified in the Calendar Year (CY) 2018 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies. Therefore, the 2018 MTM program annual cost threshold is \$3,967.

# 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 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 2018, there are 616 Part D contracts with an approved MTM program.
  - 506 Medicare Advantage prescription drug plans (MA-PDs).
  - 60 stand-alone prescription drug plans (PDPs), including Employer contract MTM programs.
  - 50 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 2018 MTM program applications approved during the annual review in Spring 2017 and changes approved during the September 2017 and March 2018 update windows as of April 6, 2018.

# 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 2018, over 24% of MTM programs use expanded eligibility requirements beyond CMS' minimum requirements.
  - A slight decrease compared to 26% of programs in 2017.

**Table 1. Percent of 2018 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>	466	75.6%
<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>	150	24.4%
<b>Total</b>	<b>616</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 2018 MTM program annual cost threshold is \$3,967, as compared to \$3,919 in 2017.
- The following information describes sponsors' eligibility criteria per CMS requirements, and do not reflect any expanded criteria.

# Eligibility Criteria

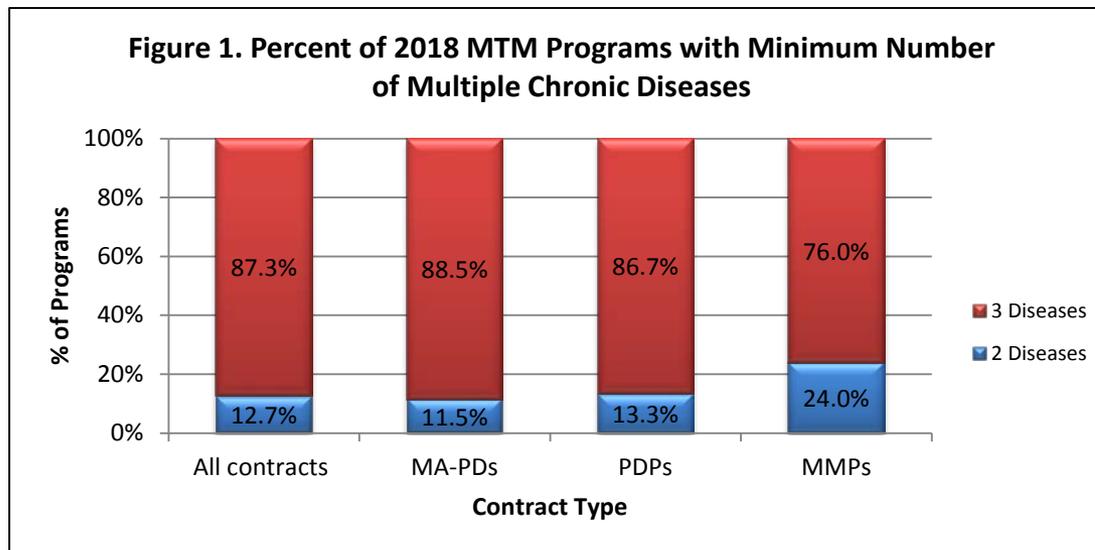
## 1. Have Multiple Chronic Diseases (1 of 6)

- 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 87% of 2018 programs target beneficiaries with at least three chronic diseases, an increase of about 3 percentage points compared to 2017.



# 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 2018 programs are targeting beneficiaries with any chronic diseases, and over 99% are targeting beneficiaries with specific chronic diseases.

# Eligibility Criteria

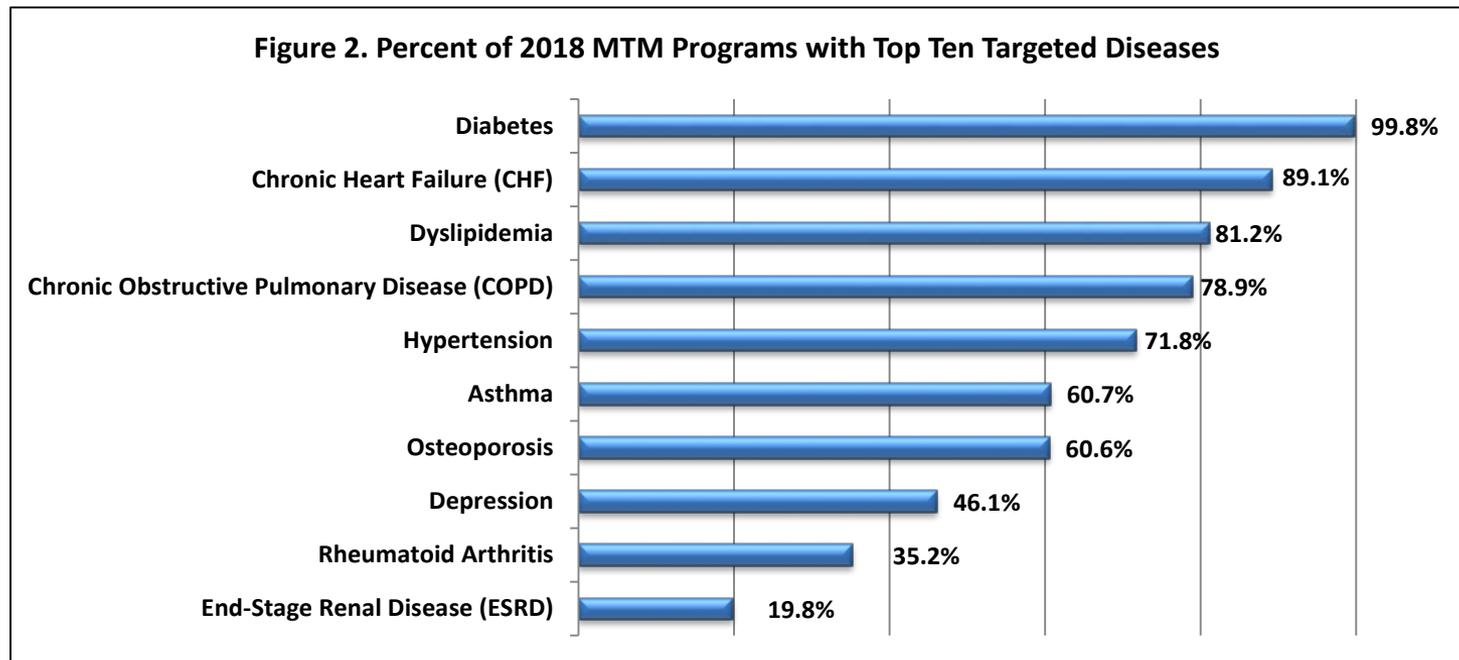
## 1. Have Multiple Chronic Diseases (4 of 6)

- 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), and Dyslipidemia remain the top targeted diseases in 2018 with ESRD replacing Cardiovascular Disorders as the 10<sup>th</sup> most targeted disease.



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 2018 MTM programs include:
  - Cardiovascular Disorders(19.6%);
  - Alzheimer’s Disease (12.8%);
  - HIV/AIDS (12.3%);

# 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)

- 71.3% of programs target beneficiaries who have filled at least eight covered Part D drugs. This is an increase from 66.0% in 2017.

**Table 2. Percent of 2018 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	1.0%	1.0%	0.0%	2.0%
3	1.5%	1.8%	0.0%	0.0%
4	1.8%	1.6%	3.3%	2.0%
5	4.5%	3.8%	3.3%	14.0%
6	7.3%	6.3%	3.3%	22.0%
7	12.7%	12.3%	16.7%	12.0%
8	71.3%	73.3%	73.3%	48.0%

# Eligibility Criteria

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

- 10.7% of programs allow any Part D drug to qualify for this requirement in 2018.
- The remaining programs require chronic or maintenance Part D drugs (80.2%) or specific Part D drug classes (9.1%). 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 \$3,967 for Covered Part D Drugs

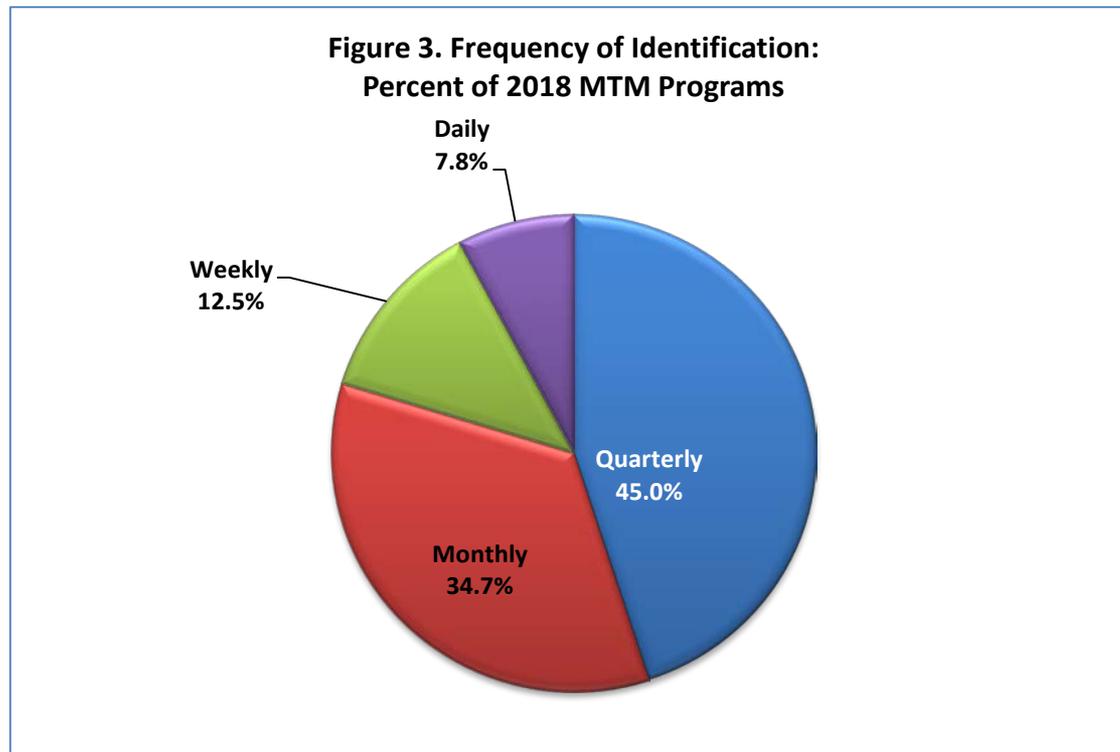
- The sponsor must provide a description of the analytical procedure used when determining if a beneficiary is likely to incur the annual cost threshold for 2018.
- The description may include the specific threshold(s), formula, or criteria of their model.
- MTM programs in 2018 continue to apply varying cost threshold methodologies, but more than 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)

- 45% of the programs identify eligible beneficiaries quarterly and almost 35% 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 2018.
- In addition, 20.9% of MTM programs also use medical data to identify eligible beneficiaries (22.7% of MA-PDs, 3.3% of PDPs, and 24% of MMPs). With the exception on MMP contract types, this is a decrease from 2017 for all contract types.
- Sponsors use other types of data to aid with identification (1.3% use information collected from the beneficiaries, and 1.4% 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

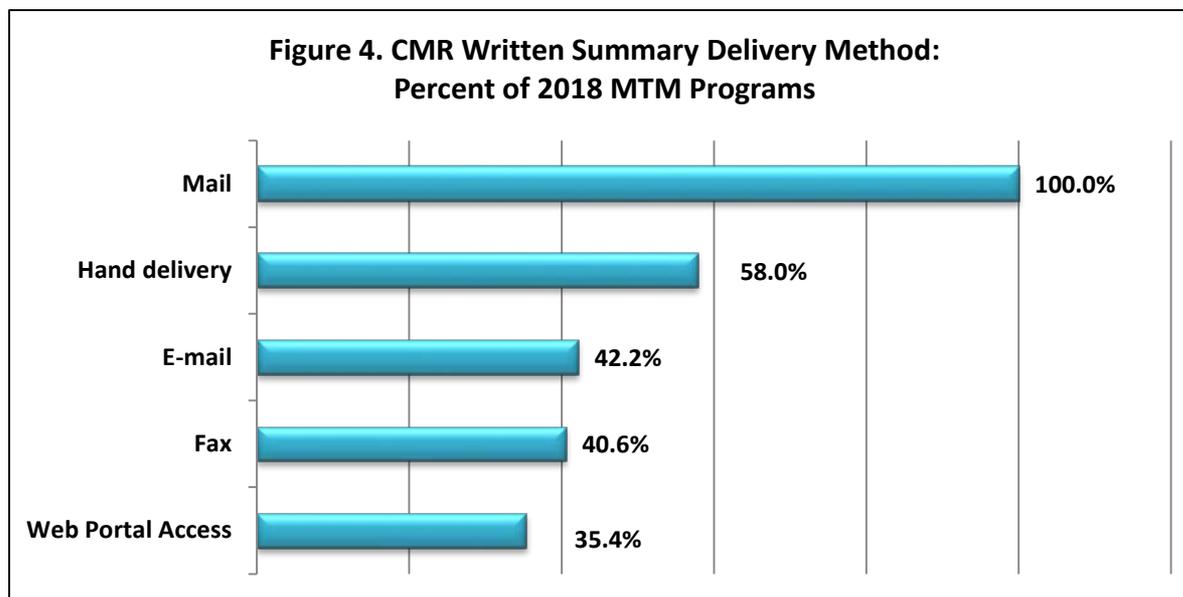
## CMR Delivery Method

- Almost all programs offer the interactive, person-to-person CMR consultation via the phone.
- 89.6% of programs also offer face-to-face CMRs. This is an increase from 2017 (82.4%).
- 73.7% of programs offer CMRs through telehealth technologies. This is a notable increase from 2017 (48.3%).

# Required MTM Services

## CMR Summary Delivery Method

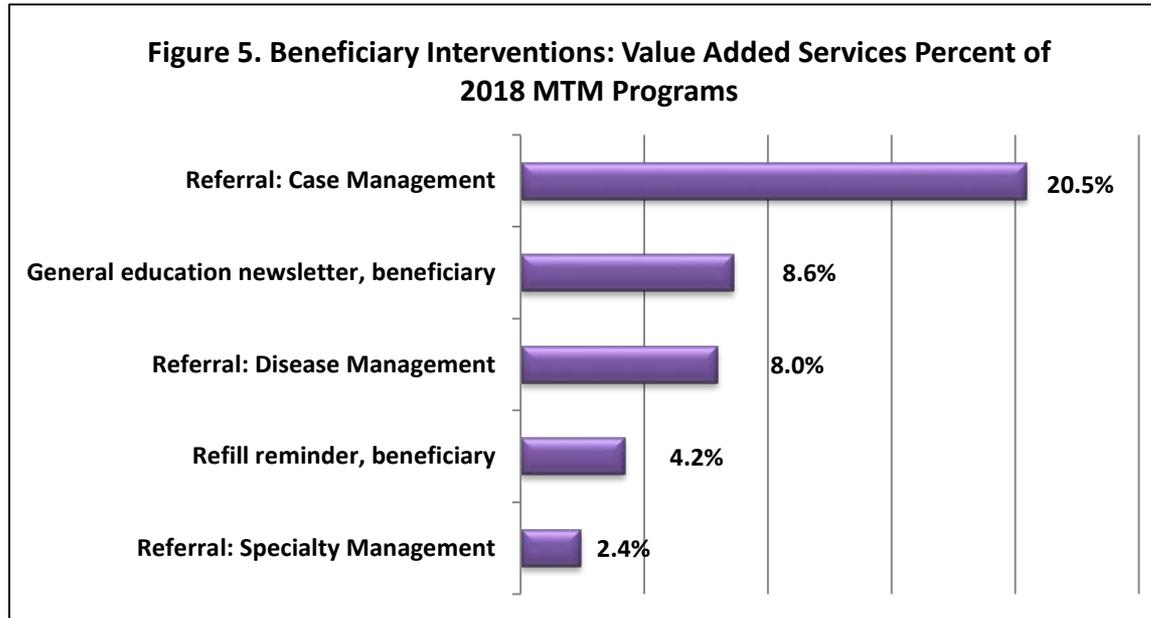
- 100% of programs provide the CMR summary in CMS' standardized format by mail. Over 58% also provide the summary in person after the CMR, which is a 6 percentage point increase from 2017. 42.2% have delivery via email.



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

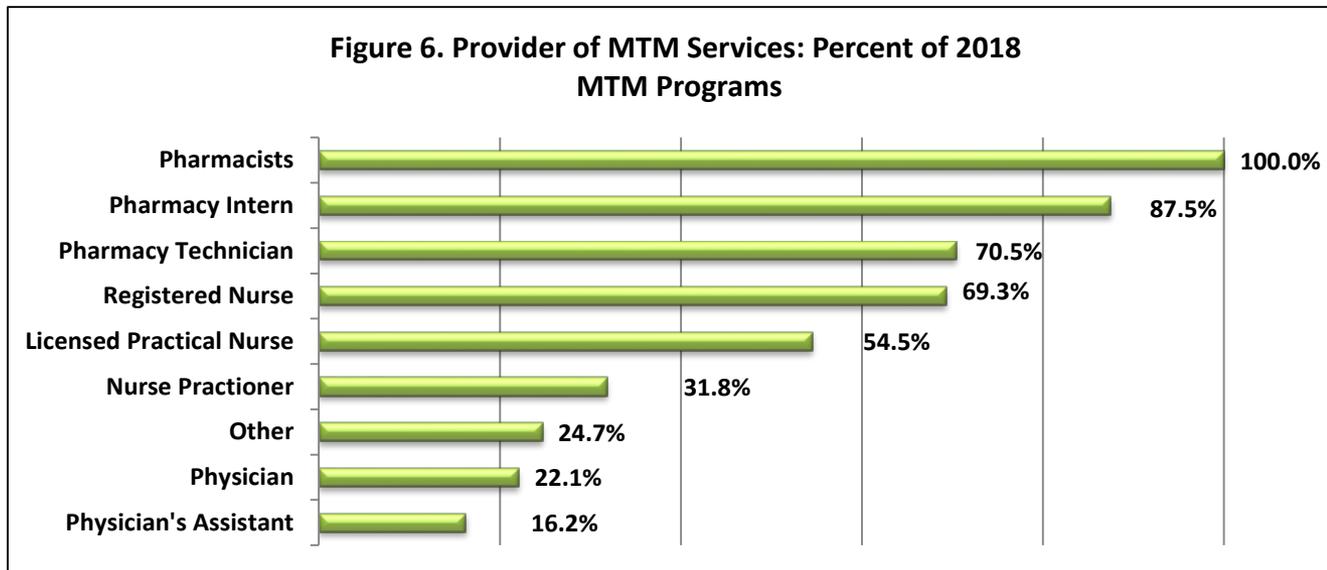
- Sponsors are required to offer interventions to the beneficiaries' prescribers.
- Therefore, 100% of MTM programs offer interventions to prescribers to resolve drug therapy problems or optimize therapy, which are delivered through a variety of methods.
  - 99.8% fax the consultations,
  - 96.1% provide phone consultations,
  - 83.3% provide mailed consultations.
- 29.9% also provide a copy of the beneficiary CMR Summary, a patient medication list, and/or a medication action plan to the prescriber.

# MTM Providers (1 of 4)

- 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 4)

- 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 4)

- Sponsors can use internal staff, outside personnel, or both for delivery of MTM services (multiple selections are allowed).
- In 2018, 58.0% of programs use internal staff (up from 53.2% in 2017), and 92.2% of programs use outside personnel (down slightly from 92.9% in 2017).

# MTM Providers (4 of 4)

- 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,
  - 53.3% use a PBM (49.2% of all 2018 MTM programs). This is a decrease from 2017.
  - 86.6% use an MTM vendor (80.0% of all programs). This is an increase from the percent of 2017 of programs that contracted with an MTM vendor.
  - These are not mutually exclusive categories.

# Qualified Provider of CMR

- Nearly 79% of programs use MTM vendor in-house pharmacists to deliver the CMR. Approximately 79% use pharmacy interns supervised by qualified pharmacists.
- Over 66% of programs use MTM Vendor Local Pharmacists (a significant increase).

**Table 3. 2018 MTM Programs: Qualified Provider of CMR**

MTM Provider of CMR	% of Programs
MTM Vendor In-house Pharmacist	78.7%
Other	78.7%
Pharmacy intern under the direct supervision of a pharmacist	78.7%
MTM Vendor Local Pharmacist	65.6%
Registered Nurse	63.5%
Plan Sponsor Pharmacist	56.2%
Licensed Practical Nurse	50.3%
Plan Benefit Manager (PBM) Pharmacist	38.1%
Nurse Practitioner	28.2%
Physician	20.9%
Physician's Assistant	16.2%
Long Term Care (LTC) Consultant Pharmacist	12.8%
Local Pharmacist	9.1%

Multiple selections were allowed; not mutually exclusive.

# Highlights

- The annual cost threshold for 2018 is \$3,967, which is 1.22% higher than the 2017 threshold (\$3,919).
- 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](mailto:PartD_MTM@cms.hhs.gov)