Medicare Part D Medication Therapy Management (MTM) Programs
2008 FACT SHEET

The purpose of this fact sheet is to summarize characteristics of the contract year (CY) 2008 Medication Therapy Management Programs (MTMPs) under Part D and to provide a comparison to the MTMPs that were implemented in 2006 and 2007. Results of the plan-reported data analysis for 2006 and the first half of 2007 for MTMP per the Part D Reporting Requirements are also included.

BACKGROUND

MTMP under Part D enters its third program year in 2008. The Medicare Modernization Act of 2003 (MMA) under title 42 CFR Part 423, Subpart D, establishes the requirements that Part D Plans must meet with regard to cost control and quality improvement including requirements for MTMPs.

Under section 423.153(d), a Medicare Part D Sponsor must establish a MTMP that:

- Is designed to ensure that covered Part D drugs prescribed to targeted beneficiaries are appropriately used to optimize therapeutic outcomes through improved medication use;
- Is designed to reduce the risk of adverse events, including adverse drug interactions, for targeted beneficiaries;
- Is developed in cooperation with licensed and practicing pharmacists and physicians,
- May be furnished by pharmacists or other qualified providers;
- May distinguish between services in ambulatory and institutional settings;
- Describes the resources and time required to implement the program if using outside personnel and establishes the fees for pharmacists or others.

These requirements do not apply to MA Private Fee for Service (MA-PFFS) organizations, as described in 42 CFR §422.4 (a)(3). However, considering MA-PFFS organizations have an equal responsibility to provide a quality Part D product, CMS encourages MA-PFFS organizations to establish a MTMP for Medicare beneficiaries.

Targeted beneficiaries for the MTMP as described in § 423.153(d)(1) are enrollees in the Sponsor's Part D plan who—

1. Have multiple chronic diseases; and
2. Are taking multiple Part D drugs; and
3. Are likely to incur annual costs for covered Part D drugs that exceed a predetermined level as specified by the Secretary (initial cost threshold of $4,000 established).

The MMA provided a number of examples of multiple chronic conditions that could be targeted for MTMP, including diabetes, asthma, hypertension, hyperlipidemia, and congestive heart failure. Part D Plans have significant flexibility however, in determining which targeted populations are appropriate for MTM. Plans also have flexibility to determine other components of their MTMP including method of enrollment, interventions, provider of MTM services, and outcomes.

REVIEW OF 2008 MEDICATION THERAPY MANAGEMENT PROGRAMS

Annually in April, Sponsors submit a MTMP description for CMS to review and approve, as this approval is required for all MTMPs. The MTMPs for 2008 were submitted at the contract level via a template provided by CMS.

Additionally, Part D Sponsors may identify the need for changes to the MTMP for the current program year or for the upcoming contract year program. To promote evolving MTM best

practices and to consider the best interests of the Medicare beneficiary, CMS allows certain mid-year positive changes to the Part D Sponsors' approved MTMP.

The following analysis describes characteristics of approved CY 2008 MTMPs reported during the Annual Review in April 2007 and change requests approved as of January 3, 2008. There are 712 active Part D contracts with an approved MTMP for CY 2008 (609 MA-PD and 103 PDP).

CHARACTERISTICS OF MTM PROGRAMS FOR 2008

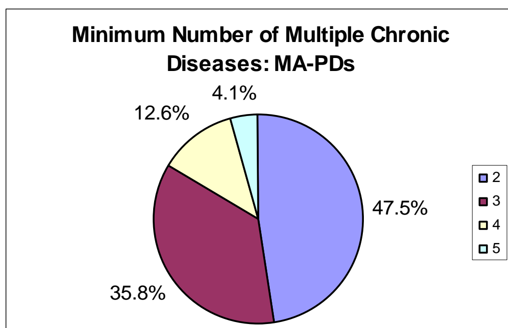
Eligibility Criteria

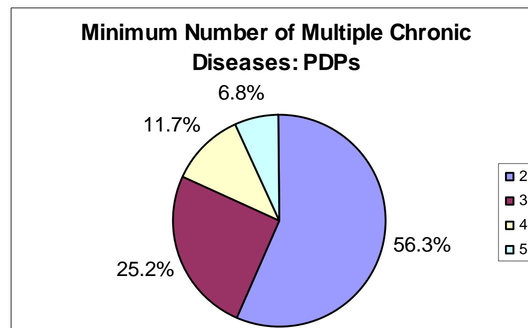
Multiple Chronic Diseases

In designing an MTMP, each program must indicate the minimum number of chronic diseases a beneficiary must have for eligibility. As shown in the table below, the range of the minimum number of multiple chronic diseases is from two to five. This is the same range reported for 2006 and 2007 MTMPs. The majority of programs in 2008 require either a minimum of two or three chronic diseases as part of the programs targeting criteria.

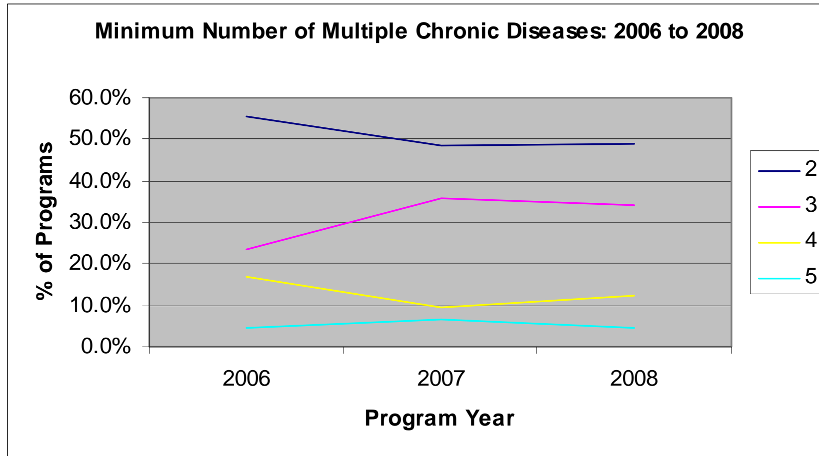
Minimum Number of Multiple Chronic Diseases	# of Programs	% of Programs
2	347	48.7%
3	244	34.3%
4	89	12.5%
5	32	4.5%
Total	**712**	**100.0%**

The two charts below break down the MTMP targeting criteria by MA-PD and PDP. The majority of PDPs (56.3%) require a minimum number of two chronic diseases. Slightly less than half of all MA-PD plans also require two chronic conditions (47.5%).





The chart below shows the trending from 2006 through 2008. There was little change from 2007 to 2008 in the percent of programs that indicated each minimum number of chronic diseases for MTM eligibility.

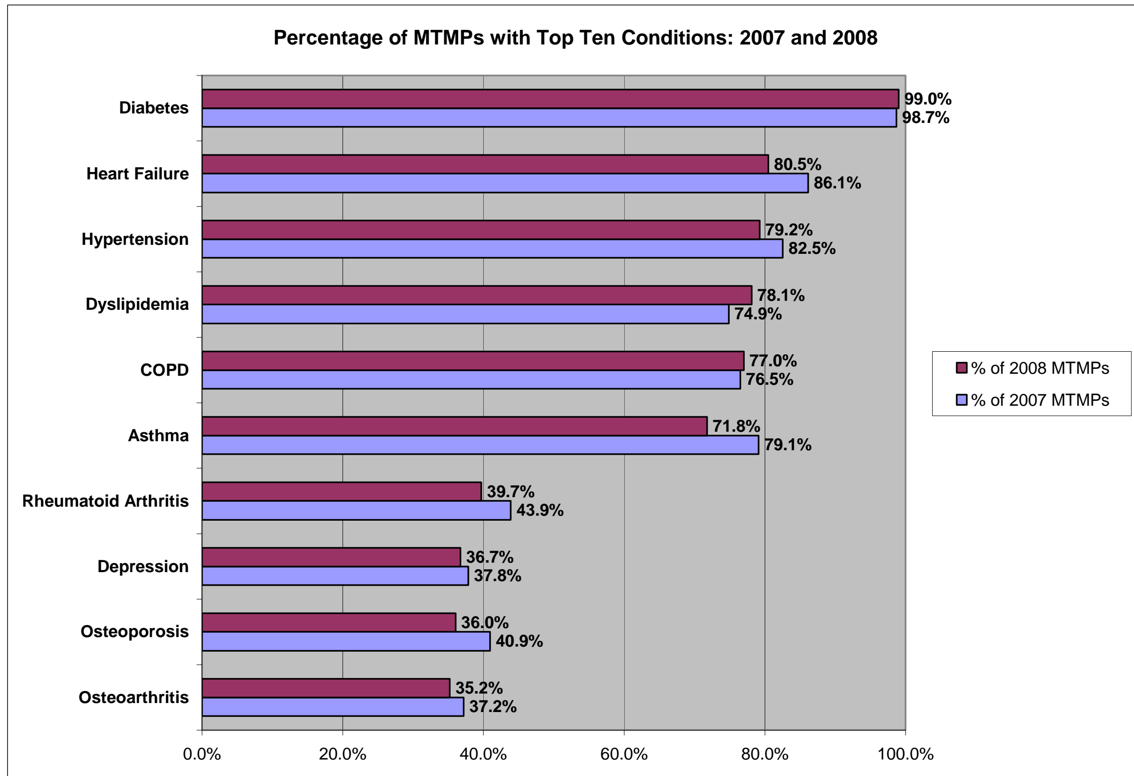


Plans also indicate if any chronic conditions apply or indicate the specific chronic conditions that apply for eligibility in the MTMP. Ninety percent of 2008 MTMPs indicate that specific chronic conditions apply for eligibility into the MTM program, and the remaining (10.0%) require any chronic disease.

The most frequently targeted conditions from 2008 are the same top conditions as in 2007, however, the order of these conditions differ slightly. The top conditions indicated in 2008 MTMPs are the following. The 2007 rank is provided in the parentheses.

1. Diabetes (1)
2. Heart Failure (2)
3. Hypertension (3)
4. Dyslipidemia (6)
5. COPD (5)
6. Asthma (4)
7. Rheumatoid Arthritis (7)
8. Depression (9)
9. Osteoporosis (8)
10. Osteoarthritis (10)

The graph below provides the percentage of MTMPs for 2007 and 2008 that indicate these top ten conditions for their targeting criteria.

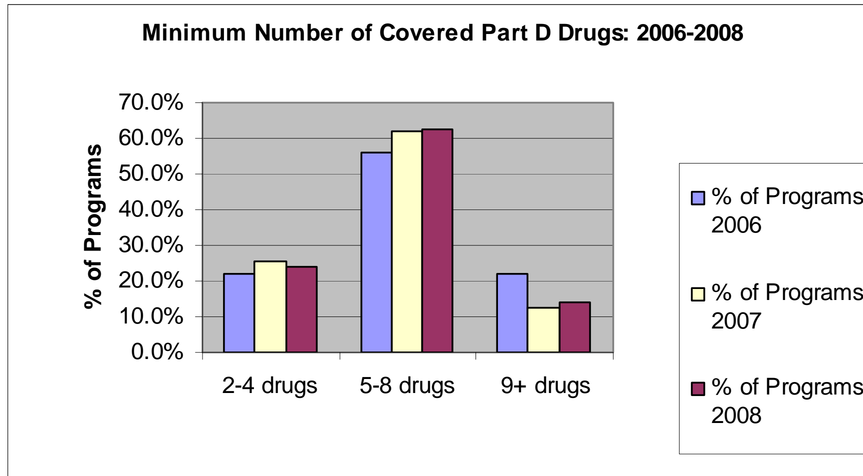


Multiple Covered Part D Drugs

The second MTMP targeting criteria requires a beneficiary to be taking multiple covered Part D drugs. Each program must indicate the minimum number of covered Part D drugs a beneficiary must have filled for MTMP eligibility. This is represented in the table below. The percent of programs indicating the respective minimum number of covered Part D drugs is provided in aggregate and broken out by MA-PD and PDP MTMPs. The range of the minimum number of multiple Part D drugs indicated for 2008 MTMPs is two to fifteen. The largest differences in the minimum number of covered Part D drugs indicated by MA-PDs and PDPs were observed for criteria of 5, 8, and 10 which are bolded in the table below.

	ALL MTMPs		MA-PDs	PDPs
Minimum Number of Covered Part D Drugs	**# of Programs**	**% of Programs**	**% of Programs**	**% of Programs**
2	46	6.5%	6.2%	7.8%
3	64	9.0%	8.4%	12.6%
4	60	8.4%	8.2%	9.7%
5	145	20.4%	**19.0%**	**28.2%**
6	91	12.8%	12.8%	12.6%
7	66	9.3%	9.4%	8.7%
8	142	19.9%	**21.7%**	**9.7%**
9	21	2.9%	3.0%	2.9%
10	53	7.4%	**8.2%**	**2.9%**
12	22	3.1%	2.8%	4.9%
15	2	0.3%	0.3%	0.0%

There are no major changes in the designated minimum number of drugs required by most programs across all three years. The only notable change is that the minimum number of multiple Part D drugs in 2006 and 2007 ranged from two to 23, while in 2008, the range is two to fifteen. Most MTM programs require a minimum of five to eight drugs in all three years as shown in the graph below.



Plans also indicate if any Part D drug applies, if chronic/ maintenance drugs apply, if disease-specific drugs apply related to the chronic diseases, or if specific Part D drug classes apply. Half (50.7%) of all 2008 programs allow any Part D drug to qualify for this requirement, while the remaining require Part D drugs for chronic conditions (24.6%), disease specific drugs related to chronic conditions (12.6%) and specific Part D drug classes (12.1%). Differences between MA-PDs and PDPs in this indication were not remarkable.

Likely to Incur $4,000
A beneficiary must be likely to incur an annual cost of at least $4,000 for all covered Part D drugs. The Plan must provide a description of the analytical procedure used when determining if a beneficiary is likely to incur this annual cost threshold for 2008. Program descriptions showed a variation in costing methodology. Consistent with MTMPs in place for 2006 and 2007, a number used proprietary algorithms and predictive modeling to make this determination, but the majority of analyses are based on thresholds of $333 monthly or $1,000 quarterly.

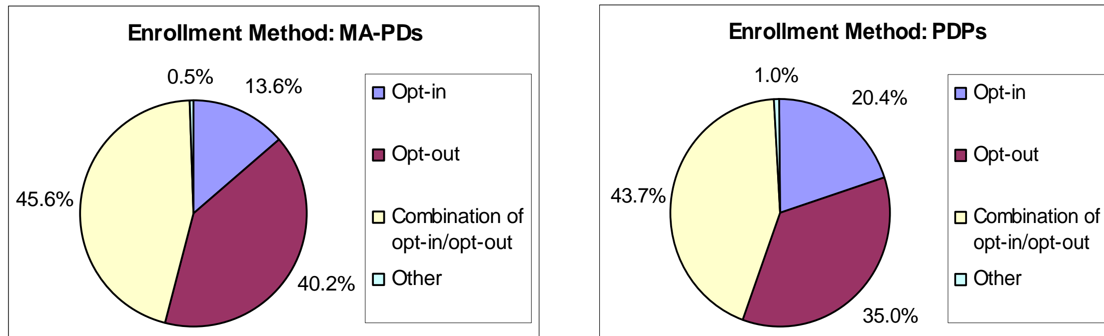
Method of Enrollment
The Part D Sponsors designed their MTMP method of enrollment as opt-in, opt-out, combination of opt-in and opt-out, or other.

Possible definitions are:
Opt-In: A beneficiary that meets the eligibility criteria must actively choose to participate by mailing acceptance in to the program, calling a number to enroll, etc.
Opt-out: A beneficiary that meets the eligibility criteria is auto-enrolled and is considered to be participating unless he/she declines to participate.
Combination of opt-in and opt-out: A hybrid method of enrollment. A Part D Sponsor may vary the method of enrollment by beneficiary setting, intervention, etc.

The table below represents the method of enrollment in aggregate for all active contracts with an MTMP for 2008. Most Sponsors are enrolling MTMP participants using either a hybrid method of enrollment (45.4%) or an opt-out method of enrollment (39.5%).

Enrollment Method	# of Programs	% of Programs
Opt-in	104	14.6%
Opt-out	281	39.5%
Combination of opt-in/opt-out	323	45.4%
Other	4	0.6%
Total	**712**	**100.0%**

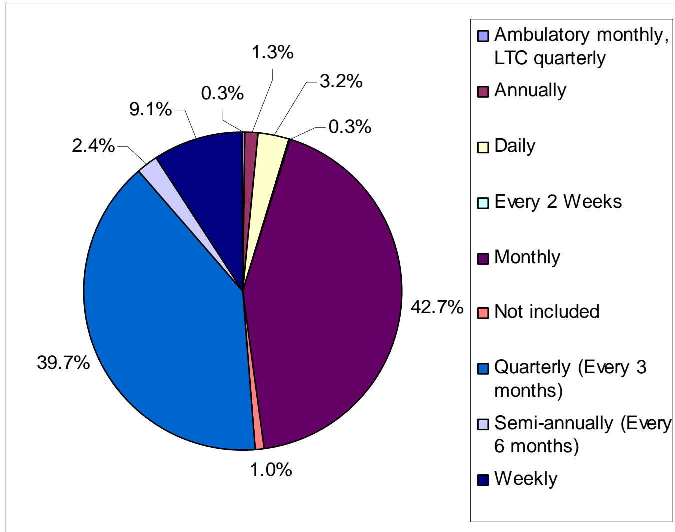
The breakout for the methods of enrollment for MA-PDs versus PDPs is shown in the charts below.



Although slightly different categorizations were used in noting the methods of enrollment from 2006 to 2008, there was a shift in the percent of MTMPs with an opt-in method of enrollment to a hybrid or opt-out method of enrollment from 2006 to 2007. The method of enrollment for 2008 is similar to that of 2007 as shown in the table below with a slight increase in the percent of MTMPs with an opt-out method of enrollment.

	% of Programs		
Enrollment Method	**2006**	**2007**	**2008**
Opt-in	51.0%	19.1%	14.6%
Opt-out	31.8%	33.6%	39.5%
Both	N/A	47.3%	45.4%
Not Specified	17.2%	N/A	N/A
Other	N/A	N/A	0.6%

Frequency of Identification
Consistent with MTMPs since 2006, a majority of 2008 programs will run their targeting algorithms on a monthly (42.7% of 2008 MTMPs) or quarterly basis (39.7% of 2008 MTMPs) as shown below.

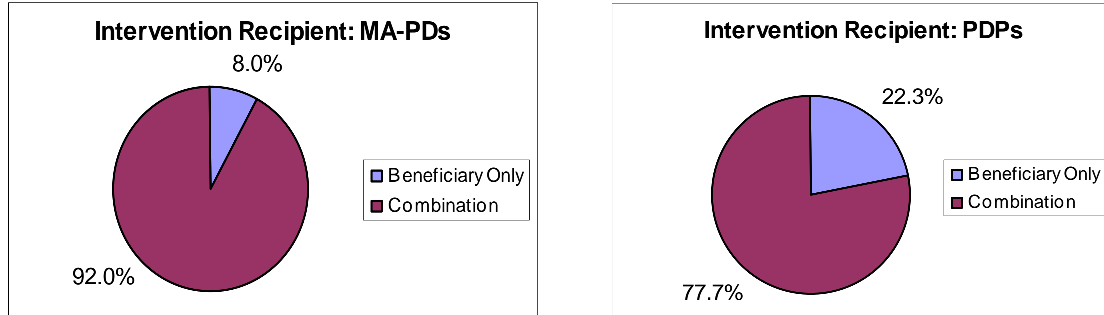


Interventions
A program may be designed to include any type or combination of MTM interventions. The MTM requirements allow a Part D Sponsor to distinguish between services in ambulatory and institutional settings. The Plans indicated who received interventions: the targeted beneficiary and/ or their provider.

The table below represents the recipients of MTM interventions for the 2008 MTMPs. Almost 90% are offering MTM interventions to both the beneficiary and the beneficiary's provider(s). Approximately, 10% of MTMPs in 2008 are offering interventions solely to the beneficiary.

Intervention Recipient	# of Programs	% of Programs
Beneficiary Only	72	10.1%
Provider Only	0	0.0%
Combination of Above	640	89.9%
Total	**712**	**100.0%**

There are differences in the distribution of intervention recipients shown in the charts below when comparing MA-PDs and PDPs.



Since its inception, Part D Sponsors have the flexibility to develop and implement MTMPs that can best meet the needs of their specific patient populations and therefore, achieve the best therapeutic outcomes. Plans can provide MTMP services face-to-face, via the phone, via mail, via email, and any combination of these. A lot of variation remains in the programs that are in place in 2008, and they span a range of services from simple to complex.

The ten most common MTM interventions reported by the Part D Sponsors for 2008 MTMPs are:

- Face-to-face interaction
- Phone outreach
- Medication review
- Refill reminders
- Intervention letter
- Educational newsletters
- Drug interaction screenings
- Polypharmacy screenings
- Disease specific clinical initiatives
- Medication profile

The above list is also consistent with the most common interventions when solely analyzing 2008 MTMPs for MA-PDs. The list of the ten most common interventions differed slightly for PDPs and included web-based programs, fax outreach, and disease management in place of polypharmacy screenings, disease specific clinical initiatives, and drug interaction screenings.

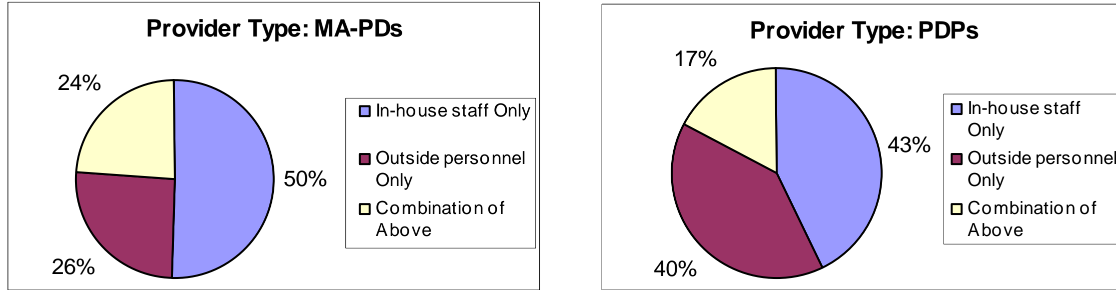
Provider of MTM Services

MTMP is considered an administrative cost (component of the plan bid) by CMS. Part D Sponsors are required to explain how their fees account for the time and resources associated with their MTMP. They have the flexibility to determine the billing mechanisms and established fees for pharmacists and other qualified providers associated with providing MTMP. These arrangements are between the Part D Sponsors and the providers of MTM services.

Plans can utilize internal and/ or outside personnel to provide their MTM services. Outside personnel may include a PBM, MTM vendor, disease management vendor, community pharmacists, long term care (LTC) pharmacists or others. The table below represents the provider of MTM services for the 2008 MTMPs. Almost half (49.3%) only utilized their in-house staff to provide MTM services.

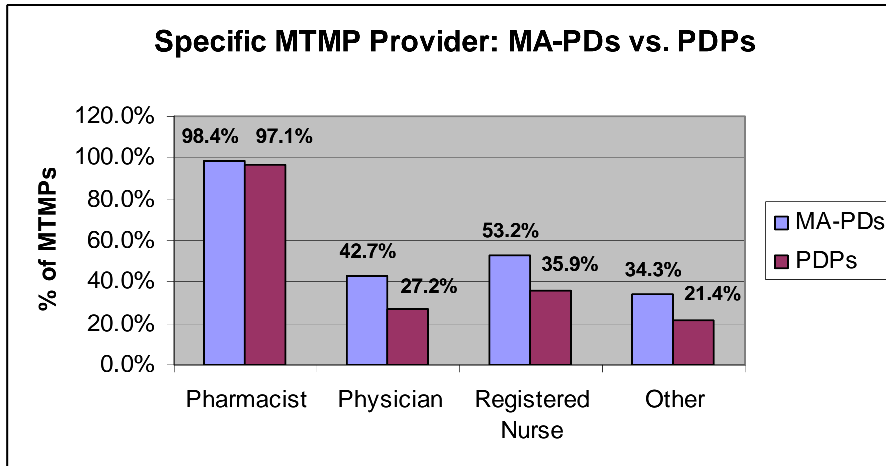
Provider Type	# of Programs	% of Programs
In-house staff Only	351	49.3%
Outside personnel Only	197	27.7%
Combination of Above	164	23.0%
Total	**712**	**100.0%**

The charts below represent the breakdown in MTM providers by MA-PDs and PDPs for the 2008 MTMPs.



Per the MTM requirements, MTM services may be furnished by pharmacists or other qualified providers. Due to a revised MTMP submission template, the 2008 MTMP descriptions provided a higher level of detail in describing the Plan's resources for providing MTM services. Plans indicated they will utilize pharmacists, physicians, registered nurses, and/ or others. These are not mutually exclusive, and Plans may utilize any single type of qualified provider or any combination of providers.

Overall, regardless of whether the Plan was utilizing in-house and/ or outside personnel, 98.2% of MTMPs in 2008 are utilizing a pharmacist(s) to provide their MTM services. Physician(s) are utilized in 40.4% of MTMPs, registered nurse(s) are utilized in 50.7% MTMPs, and other providers are utilized in 32.4% of MTMPs in 2008. The graph below provides this breakdown for MA-PDs and PDPs.



When Plans utilize in-house staff, 96.9% of these MTMPs utilize pharmacist(s), 50.7% utilize physician(s), 47.4% utilize registered nurse(s), and 34.4% utilize other providers. Again, these are not mutually exclusive.

Plans that indicated that they were using outside personnel resources for their 2008 MTMPs specified if they were using a Pharmacy Benefits Management (PBM) company, a disease management vendor, a MTM vendor, community pharmacists, and/ or LTC pharmacists. Plans may utilize any combination of outside personnel. Additionally, when Plans used a PBM, disease management vendor, or MTM vendor, they indicated the specific provider(s) they were utilizing (pharmacist, physician, registered nurse, and/ or other provider).

Of the programs that utilize outside personnel, 61.0% utilize a PBM (30.5% of all MTMPs), 9.0% utilize a disease management vendor (4.5% of all MTMPs), 26.1% utilize a medication therapy management vendor (13.1% of all MTMPs), 41.9% utilize community pharmacists (20.9% of all MTMPs), 35.7% utilize LTC pharmacists (17.8% of all MTMPs), and 7.6% utilize other outside personnel (3.8% of all MTMPs).

This level of detail was not consistently provided in MTMP submissions for 2006 and 2007. Therefore, these statistics cannot be accurately trended or compared. However, the percent of MTMPs utilizing community pharmacists has doubled from 2007 (10.1%) to 2008 (20.9%).

Outcomes

Sponsors should provide in their MTMP submission a description of its methods of documenting and measuring outcomes of interventions. CMS has not been prescriptive on specific outcomes that Plans should be measuring, but it is an expectation that Plans look towards measuring the quality of their MTMP. Many Medicare MTMPs have been in operation for only a year or two. As Plans are able to collect more data, additional analyses will be possible to examine the benefits of their programs. Currently, there is a wide spectrum of outcomes that Plans are measuring from process measures (e.g. number of outbound calls, interventions received, eligibility, and therapy issues identified) to economic measures (e.g. change in prescription costs and/ or medical costs) to quality indicators (e.g. change in therapy, adherence, drug-drug interactions, and polypharmacy). Many Plans also focus on measuring patient satisfaction and self management.

PART D REPORTING REQUIREMENTS: MEDICATION THERAPY MANAGEMENT (MTM)

For monitoring purposes, Part D Sponsors are responsible for reporting several data elements to CMS per the Part D Reporting Requirements. One section of the Reporting Requirements pertains to MTM. There are two reporting periods:

- Period 1 includes data from the first six months of the MTMP from January 1 – June 30.
  - Data reported for 2006 were due August 31, 2006
  - Data reported for 2007 were due August 31, 2007
- Period 2 includes data from the entire 12 months of the program year from January 1 – December 31.
  - Data reported for 2006 were due February 28, 2007
  - Data reported for 2007 are due February 29, 2008

The following discussion includes results of analysis as of January 3, 2008 of the plan-reported data for 2006[1] and the first half of 2007[2] for MTMP.

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[1] Analysis of 2006 plan-reported data excluded a total of six potential data entry errors (in the process of being resolved) from five contracts (four MA-PDs and one PDP). This included one value reported by one PDP for the number of beneficiaries who disenrolled from the MTMP. The remaining values were excluded for the four MA-PDs and included two values reported for the number of beneficiaries identified who meet MTMP criteria, two values reported for the number of beneficiaries participating in the MTMP, and one value reported for the number of beneficiaries who disenrolled from the MTMP.

[2] Analysis of 2007 plan-reported data excluded eight potential data entry errors (in the process of being resolved) from four contracts (three MA-PDs and one PDP). The values reported for the number of beneficiaries identified who meet MTMP criteria and the number of beneficiaries participating in the MTMP were excluded.

2006 Part D MTM Reporting Requirements

The following data elements were self-reported by Plans for their 2006 MTMP:

- Number of beneficiaries identified who meet MTMP criteria
- Number of beneficiaries participating in the MTMP
- Number of beneficiaries who declined to participate in the MTMP
- Number of beneficiaries who disenrolled from the MTMP
- Total prescription drug cost per MTMP beneficiary per month

The method of enrollment and eligibility criteria, along with other program components, vary among the MTMPs for Part D Plans.

Approximately 10% of beneficiaries enrolled in Plans with an MTMP met the Plan's designated MTMP criteria. In analyzing the plan-reported data separately for PDPs and MA-PDs, 12% of beneficiaries enrolled in PDPs met the Plan's designated MTMP criteria, and 5.4% beneficiaries enrolled in MA-PD met the Plan's MTMP criteria. Refer to the table below for additional statistics regarding the percent of the MTMP enrolled beneficiaries that are participating in the MTMP, the percent of beneficiaries who declined to participate in the MTMP, and the percent of beneficiaries that disenrolled from participating in the MTMP. All values shown are weighted means.

	All	**PDP**	**MA-PD**
Percent of population who met the criteria	10.0%	12.0%	5.4%
Percent of population participating in MTMP	6.6%	7.7%	3.8%
Percent of population who met criteria who are participating in MTMP	65.4%	64.4%	70.8%
Percent of population who met criteria who declined to participate in MTMP	29.5%	30.9%	22.3%
Percent participating that disenrolled from MTMP	3.0%	2.5%	5.3%

2007 Part D MTM Reporting Requirements

The following data elements are self-reported by Plans for their 2007 MTMP:

- Enrollment method
- Number of beneficiaries identified who meet MTMP criteria
- Number of beneficiaries participating in the MTMP
- Number of beneficiaries who declined to participate in the MTMP
- Number of beneficiaries who discontinued participation in the MTMP (total/ due to death/ due to Plan disenrollment/ at their request)

- Total prescription drug cost per MTMP beneficiary per month
- Number of covered Part D 30-day equivalent prescriptions per MTMP beneficiary per month

A few data elements were new for 2007 reporting, compared to data elements reported for 2006. The data element from 2006 for 'number of beneficiaries who disenrolled from the MTMP' was renamed 'number of beneficiaries who discontinued participation in the MTMP,' and elements were added for reporting the total and the reasons for discontinuing participation.

CMS is analyzing the MTM plan-reported data for period one which included data for only the first six months of the MTMP for 2007. Considering this only accounts for half of the program year, the disposition status for beneficiaries that met the criteria and were offered enrollment in the MTMP may be pending and not yet reported.

The percent of beneficiaries enrolled in Plans with an MTMP that met the Plan's designated MTMP criteria is 10.8%, which compares closely with the results from 2006 (10.0%). At this point, the percent of the MTMP enrolled beneficiaries that are participating in the MTMP is higher for 2007 at 8.4% compared to 6.6% for 2006. The table below shows the results of this analysis. These values are weighted means.

	All	**PDP**	**MA-PD**
Percent of population who met the criteria	10.8%	12.3%	7.1%
Percent of population participating in MTMP	8.4%	9.6%	5.6%
Percent of population who met criteria who are participating	77.9%	78.1%	77.8%
Percent of population who met criteria who declined to participate in MTMP	7.1%	6.1%	11.2%
Percent participating that disenrolled from MTMP	5.7%	5.1%	8.4%

As mentioned above, plans also reported the total number of beneficiaries who discontinued participation in the MTMP and the reason why (due to death/ due to Plan disenrollment/ at their request). Based on analysis of these data for the first half of 2007, 5.7% of the beneficiaries discontinued participation in MTMP. Examining the reasons for discontinuation, 43.7% discontinued due to death, 47.1% discontinued due to disenrollment from the Plan, and 4.4% discontinued at their request. For PDPs, 52.1% discontinued due to death, 39.8% discontinued due to disenrollment from the Plan, and 2.5% discontinued at their request. For MA-PDs, 39.8% discontinued due to death, 65.5% discontinued due to disenrollment from the Plan, and 9.2% discontinued at their request. These results are positive because most beneficiaries discontinued participation based on involuntary reasons.

SUMMARY

In 2008, MTM offered to Medicare beneficiaries under Part D enters its third year. Variation among the MTMPs and differences between MA-PD and PDP MTMP designs still remain. Part D Sponsors continue to build on their experiences from the first two program years to enhance their MTMPs to improve quality of care for Part D beneficiaries. While pharmacists are the leading provider of MTM services, MTM most often involves a multi-disciplinary approach with a number of qualified providers involved in the provision of MTM and interventions are targeted to both the beneficiary and their physician. It is also clear that the value of the community pharmacist interaction continues to grow as the percent of MTMPs utilizing community pharmacists has doubled from 2007 to 2008.

Based on the analysis of plan reported data for the first half of 2007, 10.8% of beneficiaries enrolled in Plans with an MTMP met the Plan's MTMP criteria and a higher percentage are participating for 2007 compared to 2006. Of those beneficiaries that discontinue participation in MTMP, less than 5% are voluntarily discontinuing participation. CMS looks forward to receiving plan-reported data for the full 2007 program year as well as expanded plan-reported data for 2008 in which more robust analysis of MTMP may be possible. CMS also anticipates that many Plans, as they collect additional data, can look towards analyzing outcomes of their own MTMPs to demonstrate value. MTMP remains an important quality improvement initiative for CMS and its Part D beneficiaries.

ADDITIONAL RESOURCES

Questions regarding this Fact Sheet may be sent to: partd_mtm@cms.hhs.gov.

MTMP guidance, memos, and Contact list:
www.cms.hhs.gov > Medicare > Prescription Drug Coverage Contracting > Medication Therapy Management

Part D Prescription Drug Benefit Manual:
Chapter 7: Quality Improvement and Medication Therapy Management
www.cms.hhs.gov > Medicare > Prescription Drug Coverage Contracting > Prescription Drug Benefit Manual

CY08 Part D Reporting Requirements
www.cms.hhs.gov > Medicare > Prescription Drug Coverage Contracting > Plan Reporting and Oversight