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# Medicare and medication therapy management programs

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## **Medicare and Medication Therapy Management Programs**

*Lead author: Joseph A. Woelfel, Ph.D., FASCP, R.Ph., Assistant Editor*

*\*An example of a Medication Therapy Management Service may be found at the end of this document.\**

### **Background**

As part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, medication therapy management programs (MTMP) will be required for each sponsor of a private prescription drug plan (PDP) or Medicare Advantage Prescription Drug Plan (MA-PD). This is in addition to the requirements for formulary drugs, drug utilization, and quality assurance programs. Each sponsor will contract with the government for these provisions as they relate to covered drugs. The Medicare Voluntary Drug Benefit Program (Part D) will take effect on January 1, 2006.<sup>1</sup>

This is the first time that Congress has recognized in national legislation the importance of pharmacist-provided drug therapy management. It is also the first time that pharmacists will be allowed to bill for Medicare-related patient care services.<sup>2</sup> Optimizing the therapeutic outcome will be the goal. Reports of outcomes will be required and reported nationally through prescription drug plan provider activities.

Pharmacists are the only healthcare professionals specifically named in the Act to provide these services. Programs must be developed with licensed practicing pharmacists and physicians. Patients eligible for these services must have multiple chronic, high drug-cost conditions such as congestive heart failure, diabetes, and chronic obstructive pulmonary disease and be receiving multiple medications. It is likely that patients with annual drug costs exceeding a certain Centers for Medicare and Medicaid Services (CMS)-defined limit will be enrolled as targeted plan participants.<sup>2</sup>

MTMP fees have not yet been defined, however certain provisions have been outlined. Part D enrollees will not be required to pay a separate fee for these services but the cost could be reflected in their premium rate. In establishing

MTMP service fees, plan sponsors must account for program implementation resources and time. CMS states that these fees will be separate and distinct from prescription fees. No lower limit of pharmacist payment by plan sponsors has been set by CMS.

Regulations will be written by CMS which will interpret and implement Congresses' legislative intent. These pending regulations will define pharmacists' activity in MTMP. Pharmacists and pharmacy organizations are being asked by CMS for advocacy recommendations in defining these activities. It is extremely important for pharmacists to share the "success stories" of their well documented, cost-effective, and health-saving MTMP's.

### **MTMP Success Stories**

There are numerous examples of studies and programs documenting the dramatic health improvement and healthcare expense reduction of pharmacist-managed therapies in a variety of settings.<sup>3</sup>

The Asheville Project is a classic example of a community pharmacist-managed diabetic care program. Community pharmacists provided diabetes education, blood glucose meter training, clinical assessment, and patient monitoring that resulted in improvements of HgA1c and lipid levels for participating patients. The total average direct medical costs decreased by \$1,200 to \$1,872 per patient per year. Patients experienced a reduction in sick time for one employer group, with estimated increases in productivity at \$18,000 annually.<sup>4</sup>

Pharmaceutical care services to Medicaid patients in Mississippi were recognized in 1998. Disease state certified pharmacists providing diabetes, asthma, hyperlipidemia, and coagulation services under physician approved protocols received reimbursement for their services.<sup>5</sup>

*More . . .*

Ambulatory clinical pharmacy services provided by Harborview Medical Center in Seattle, Washington have demonstrated significant contributions through their programs. Their hypertension management project in 1995 provided cost savings of \$192 per patient per year related to reduced drug costs. Patients had improved blood pressure control and there was high patient and provider satisfaction.<sup>6</sup>

### ***Scope of MTMP Services***

Besides services to patients with congestive heart failure, diabetes, and chronic obstructive pulmonary disease as mentioned in the Act, other services could include:

- Performance of patient health status assessment
- Devising prescription treatment plans
- Managing high cost “specialty” medications
- Evaluating and monitoring patient response to drug therapy
- Providing patient and caregiver education
- Coordinating therapy with other care management services
- Participation in state-approved collaborative drug therapy management
- Providing patient compliance programs
- Detection and prevention programs for adverse drug events
- Monitoring and prevention of over-and-under utilization of medications

### ***MTMP Endorsing Organizations***

MTMP as an essential part of the Medicare Part D prescription drug plan is endorsed by the following pharmacy organizations: Academy of Managed Care Pharmacy, American Association of Colleges of Pharmacy, American College of Apothecaries, American College of Clinical Pharmacy, American Pharmacists Association, American Society of Consultant Pharmacists, American Society of Health-System Pharmacists, National Association of Boards of Pharmacy, National Association of Chain Drug Stores, National Community Pharmacists Association, and the National Council of State Association Executives. These organizations participated in the development of the MTMP definition sent to CMS and responded to CMS questions regarding MTMP.

### ***Remaining Questions***

Pharmacists, pharmaceutical organizations, and CMS itself have numerous questions yet to be answered. Some commonly shared questions follow:

- What minimum standards will be established for defining multiple chronic diseases? These should be set by CMS for national application and not left to plan sponsors.
- What level of annual Part D drug cost will be established for Medicare patients to qualify for MTMP?
- What universal components should be included in MTMP services?
- What are MTMP best practices? Examples might include: communication type and patient-physician-pharmacist collaborative therapeutic goal setting.
- What minimum pharmacist qualifications will be established? Presently, CMS states a licensed practicing pharmacist is qualified.
- Who should the service provider be? CMS believes that the individual patient’s need in the patient’s healthcare setting is the determining factor. That is, a patient in a long-term care facility would be served by the facility consultant pharmacist. Ambulatory patients would be served by their community pharmacist. Hospitalized patients would be served by their hospital pharmacist. Other health professionals, such as nurses, may be allowed to provide services depending on the patient needs and the professional scope of practice.

### ***Conclusion***

Though there are numerous questions to be answered, this is a very exciting time for pharmacists in the U.S. With this new legislation, pharmacists will be even more actively involved in providing pharmaceutical care services to patients. It is essential that pharmacists are active advocates providing guidance to professional organization and government leaders during these times of plan formation. Pharmacists are encouraged to communicate with their professional organizations and to visit the CMS website for updated information at: <http://www.cms.hhs.gov/regulations/>.

*More . . .*

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## Community Care Rx Working with Outcomes Pharmaceutical Health Care to Provide Medication Therapy Management Services

*The following excerpts are reprinted with permission from Community Care Rx concerning their medication therapy management services. October 27, 2004.*

Community Care Rx (CCR<sub>X</sub>) announces a new agreement with Outcomes Pharmaceutical Health Care (Outcomes) to provide Medication Therapy Management Services (MTMS) through participating pharmacies. These services will be funded with monies originally set aside to pay pharmacists for their education and outreach efforts connected with enrolling Medicare beneficiaries into the Community Care Rx Medicare-approved drug discount card program.

Medication Therapy Management Services utilize pharmacists and/or other health care professionals to proactively manage the cost and effectiveness of pharmaceuticals. The services were promulgated by the 2003 Medicare Modernization Act and are mandated to begin by 2006. Community Care Rx is the first Medicare-approved drug discount card to bring such a program to market.

“Our agreement with Outcomes Pharmaceutical Health Care marks the achievement of yet another goal for the Community Care Rx Program,” said Bruce Roberts, R.Ph., chairman of the CCR<sub>X</sub> board and NCPA executive vice president and CEO. “Our goal has been to create a benefit that will fully utilize the expertise of the pharmacist in order to bring about optimal patient outcomes and, ultimately, save health care dollars. Through our agreement with Outcomes, we will pay

pharmacists for their expert counsel and will demonstrate to CMS and other payors the value of pharmacist care.”

Through the program, covered seniors will have access to specially trained “Outcomes Personal Pharmacists” in their area to help them navigate the least expensive, most clinically appropriate medications to treat their specific conditions. Thousands of community pharmacists across the country have earned the Outcomes Personal Pharmacist designation with many more expected to do so in the coming months. Training can be completed by going to: [www.getoutcomes.com](http://www.getoutcomes.com).

This new alliance will enhance communication between Community Care Rx beneficiaries and their pharmacists and will provide the Centers for Medicare and Medicaid Services (CMS) a demonstration of an MTMS best practice model for the 2006 Medicare Part D benefit.

Outcomes Pharmaceutical Health Care is the market leader in medication therapy management services. The Des Moines, Iowa based firm has a five year track record in administering such services to employer groups, health plans, and government sponsored programs. For more information, visit [www.getoutcomes.com](http://www.getoutcomes.com).

Community Care Rx, a collaboration between Computer Sciences Corporation (CSC), MemberHealth, Inc. (MH), the National Community Pharmacists Association (NCPA) and the Senior Care Pharmacy Alliance (SCPA), has approximately 50,000 pharmacies in its nationwide network. More than 70 state and industry organizations, representing more than

25,000 pharmacies, have endorsed *Community Care Rx*. For more information, visit [www.communitycarerx.com](http://www.communitycarerx.com) or [www.ncpanet.org](http://www.ncpanet.org).

NCPA represents the nation's community pharmacists, a \$78 billion marketplace, dispensing nearly half of the nation's retail prescription medicines. For more information, visit [www.ncpanet.org](http://www.ncpanet.org).

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