Success of an MTM Program Beyond Medicare Part D: Is It Really a Pharmacy Pay for Performance Model?

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CareSource

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Learning Objectives

• Understand why a health plan would want to implement a MTM program
• Understand the evolution of pharmacy from a reimbursement for drugs to services
• Understand various ways pharmacists can be reimbursed
About CareSource

• CareSource is one of the country’s largest Medicaid managed healthcare plans and largest plan offering MTM for Medicaid eligibles beginning in mid-2012
• CareSource serves over 1,300,000 Medicaid members in Ohio and Kentucky along with 25,000 Dual Eligibles in Ohio and 30,000 Exchange members in Ohio
Why did we want to launch a MTM program?

- Assist with High Risk members
- Assist with driving HEDIS results
  - Improved quality
- Appropriate medications
- Preferred Drug List
  - Generic alternatives
  - Reduce interactions
  - Reduce inappropriate medications
- Positively engage pharmacy network
- Drive costs savings
  - Generally see a 2.5-3:1 ROI = MCR
MTM Program Approach

• Using a vendor drives consistency across program including:
  – Network requirements
  – Covered services
  – Policies and procedures
  – Quality-assurance
  – Documentation standards and
  – Reporting
MTM Program Approach

• All plan members are eligible for face-to-face MTM services from specially-trained local pharmacists to help them achieve safe and effective results from their medications while controlling costs.

• Through the OutcomesMTM program, participating local pharmacists receive alerts and information regarding medication use patterns, as well as guidance on working with patients and doctors to close key therapy gaps.
MTM Program Approach

• As a part of the MTM program, CareSource members are eligible for a full menu of covered services, which include:
  1. Comprehensive Medication Review
  2. Prescriber Consultation
  3. Patient Adherence Consultation
  4. Patient Education & Monitoring

• Members receive MTM coverage through a network of more than 85,000 local pharmacists nationwide, including nearly 3,300 pharmacists in Ohio alone.
CareSource Pharmacy Network

• Statewide kick-off tour to promote the MTM opportunity within Medicaid
  – Collaboration with Ohio Colleges of Pharmacy and Ohio Pharmacy Association
  – Ongoing support from OutcomesMTM Network Performance team
  – Team dedicated to providing the necessary support, encouragement and resources pharmacists need to operationalize MTM locally within a community
Year-One Results

• In the first 12-months of the CareSource MTM program:
  – Total MTM Services Delivered 106,239
  – Consultations provided that helped members avert events such as ER visits, hospitalizations and life-threatening complications 2,246
Year-One Results

• In the first 12-months of the CareSource MTM program:
  – Participating pharmacies 1,492
  – Patients served 61,026
  – Issues resolved 58,950
Year-One Results

• CareSource ROI Analysis
  – Our Finance and Analytics team did a comprehensive yet conservative review of the data
  – Altered the value assigned for an intervention
    • Emergency Room Visit reduced from $845 to $400
    • Hospital admission from $26,205 to $7,500
    • Drug costs were NOT annualized
  – CareSource ROI of $4.4 : $1
Year 2 Results

• Analysis is still in works; however, showing similar 4:1 ROI.
• Savings are driven by reduction of hospital avoidance
  – Then ED avoidance
• Drug product cost savings are still being determined.
Year 2 Results

- CMR before and after review completed
  - 4500 CMRs reviewed
  - 12 months utilization before and after

<table>
<thead>
<tr>
<th>Utilization</th>
<th>PMPM Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>RX Cost</td>
<td>Increase 13%</td>
</tr>
<tr>
<td>Inpatient Cost</td>
<td>Decrease 6%</td>
</tr>
<tr>
<td>Outpatient Cost</td>
<td>Increase 9%</td>
</tr>
<tr>
<td>Professional Cost</td>
<td>Decrease 3%</td>
</tr>
<tr>
<td>Dental</td>
<td>Increase 1%</td>
</tr>
<tr>
<td>ER Rate</td>
<td>Decrease 11%</td>
</tr>
</tbody>
</table>
## Key Activity in Ohio

**July 1, 2012 – June 30, 2014**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
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<tbody>
<tr>
<td>Total Patients</td>
<td>122,413</td>
</tr>
<tr>
<td>Total Claims</td>
<td>281,209</td>
</tr>
<tr>
<td>TIP Claims</td>
<td>35%</td>
</tr>
<tr>
<td>Pharmacist Driven Claims</td>
<td>65%</td>
</tr>
<tr>
<td>Total Acting MTM Pharmacies</td>
<td>2,420</td>
</tr>
<tr>
<td>Estimated Cost Avoidance (AIM)</td>
<td>$57,029,321</td>
</tr>
<tr>
<td>ROI 1.57:1 (Year 1)</td>
<td>$3,483,523.63 actual cost savings</td>
</tr>
</tbody>
</table>
## Key Activity in Ohio

<table>
<thead>
<tr>
<th>Claim Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMR</td>
<td>20%</td>
</tr>
<tr>
<td>Patient Ed/Monitoring</td>
<td>28%</td>
</tr>
<tr>
<td>Adherence</td>
<td>35%</td>
</tr>
<tr>
<td>Prescriber Consultation</td>
<td>17%</td>
</tr>
<tr>
<td>Prescriber Refusal</td>
<td>7%</td>
</tr>
<tr>
<td>Patient refusal</td>
<td>37%</td>
</tr>
</tbody>
</table>
MTM Activities

MTM – CMR intervention after discharge

Asthmatic patients not on therapy

Children on excessive anti-psychotic

Pharmacists in clinic settings

Risk Case Management referral
Case Findings

• Pharmacists have become health coaches
• The CMR conversation leads to greater findings
• Pharmacists truly part of the health care team
• CareSource members move to the head of the line
• Pharmacists are able to practice at a high level of the profession
Reimbursement Model

• Pharmacies are no longer achieving strong reimbursement for dispensing of RXs
• Need to move to service model
• Current MTM Model
  – $10.00 Successful Patient Education and Monitoring
  – $20.00 Successful Physician Outreach
  – $75.00 Complete Medication Review
  – $2.00 for trying
Reimbursement Model

• Pay for Performance for pharmacists will be an evolution
• Achieving success with MTM model will only lead to greater P4P success
• Reimbursements
  – Health Coach
  – Blood draws
  – Vaccinations
Summary

- MTM, when implemented using a standard process, looks similar for Medicare and Managed Medicaid
- Leveraging local pharmacy relationships allows for scalability
- Intense network management is key to MTM program success
- A focus on quality of care is prevalent across all population types, and MTM can be a tool in the toolkit to improve quality
- Based on the results of this case study, MTM has demonstrated a positive ROI for Managed Medicaid