



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

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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

Utilization	PMPM Change
RX Cost	Increase 13%
Inpatient Cost	Decrease 6%
Outpatient Cost	Increase 9%
Professional Cost	Decrease 3%
Dental	Increase 1%
ER Rate	Decrease 11%

# Key Activity in Ohio

**July 1, 2012 – June 30, 2014**

Total Patients	122,413
Total Claims	281,209
TIP Claims	35%
Pharmacist Driven Claims	65%
Total Acting MTM Pharmacies	2,420
Estimated Cost Avoidance (AIM)	\$57,029,321
ROI 1.57:1 (Year 1)	\$ 3,483,523.63 actual cost savings

# Key Activity in Ohio

Claim Type	
CMR	20%
Patient Ed/Monitoring	28%
Adherence	35%
Prescriber Consultation	17%
Prescriber Refusal	7%
Patient refusal	37%

# 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



*CareSource*<sup>TM</sup>