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*Featured Story, Oct. 19, 2010*

### Health Plans Demand More ROI Data as CMS Toughens its Regs on Medication Therapy Management

*Reprinted from DRUG BENEFIT NEWS, biweekly news, data and business strategies for health plans, PBMs and pharmaceutical companies.*

By Renée Frojo, Editor ([rfrojo@aispub.com](mailto:rfrojo@aispub.com))

Complying with the growing number of CMS requirements for medication therapy management (MTM) programs is becoming tougher as the number of Medicare Part D beneficiaries eligible to enroll in such pro-grams also expands. While the agency is convinced of MTM's effectiveness, some payers — including an in-creasing number considering MTM programs for their commercial populations — are demanding more specif-ics on such programs' return on investment (ROI), according to several pharmacy benefit experts who partici-pated in a Sept. 28 webinar sponsored by AIS.

At the beginning of this year, CMS estimated that 25% of Part D beneficiaries were eligible for MTM services, compared with 10% to 12% in previous years. At the same time, CMS began requiring Part D

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plans to expand their current MTM programs to include an annual comprehensive review of medications, a process to assess the medication use of individuals who are at risk, and automatic enrollment of targeted beneficiaries who qualify on a quarterly basis.

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As a result of increased reporting requirements, many plans have had to invest more money and hire additional staff to meet CMS standards, according to Marissa Schlaifer, the Academy of Managed Care Pharmacy's (AMCP) director of pharmacy affairs.

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"Previously, all Part D plans were required to report the number of beneficiaries eligible for their MTM program and the number who opted out," she said during the webinar. "Beginning this year, plans had to report at the beneficiary level the receipt of a comprehensive medication review, the number of targeted medication reviews, the number of prescriber interventions and changes in therapy from MTM requirements."

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In interviews with several plans to see how they are complying with the 2010 requirements, Schlaifer found that one plan had to hire more staff and provide additional training for its internal call center staff. Other plans either contracted with an outside call center or an MTM pharmacy network to provide person-to-person comprehensive medication reviews and other services.

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What they all had in common was "the need for updated and improved information technology systems to provide integrated data and reporting capabilities," Schlaifer said. "Some of that was to provide MTM services, but to a greater extent it was to comply with increased reporting requirements."

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Taking note of the increased work and investment necessary on behalf of plans, many payers often question how these MTM providers determine ROI. The problem is that "it's very hard to isolate ROI with your MTM program," Schlaifer maintained. "Pretty much any plan that is offering MTM services is also offering other services — whether it's the standard PBM utilization management or disease management programs — and it's very hard to isolate ROI and just quantify it as being due to MTM services."

### MTM Company Estimates \$4.73 ROI

However, some providers say they can provide solid numbers. Over the past two years, "we've seen a lot of expansion of MTM programs to non-Medicare Part D

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populations," Brand Newland, vice president of MTM services provider Outcomes Pharmaceutical Health Care, said during the webinar. "And many other plans are considering doing such."

According to Newland, this is because plans are seeing an ROI of \$4.73 for every \$1 spent for overall estimated cost avoidance. "And when we just looked at drug product costs, we were seeing \$1.87 to \$1 for our en-tire book of business — a number that has increased over the past year," he added.

ROI can be calculated by assessing improved quality of care, drug product costs, number of physician visits, hospital admissions and emergency room visits, among other things.

WellPoint, Inc. is one health plan that has been experimenting with MTM programs in the commercial space for the past couple of years. "There just hasn't been a lot of education for patients about medication compliance," Laurie Amirpoor, staff vice president of clinical program policy at WellPoint, Inc., said during the webinar.

As a result, WellPoint rolled out an "innovative" employer-based MTM program in Cincinnati aimed at improving diabetic and hypertensive members' knowledge of their disease, medication adherence, self-management behavior and clinical outcomes. This "Pharmacy Coaching" program encouraged eligible patients to go to large pharmacy chains to get one-on-one consultations with a pharmacist.

While it's too early to disclose the final results of the study, Amirpoor revealed that WellPoint did see improved outcomes for patients in the form of lower hemoglobin A1c, blood pressure and lipid levels, and a significant ROI for the plan. WellPoint is planning to launch a similar program in California later this year.

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