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Medication Therapy Could Likely Touch One Fourth Of Part D Enrollees

BY CHRIS LEWIS

New federal rules this year requiring Medicare drug benefit providers to conduct more intensive medication reviews for more of their chronically ill members will bring Part D drugs under tighter scrutiny in 2010 and likely lead to higher generic usage. Whether it will drive the volume of drug purchases upward or downward depends on whether the increased compliance with medications will offset the consolidation that will likely result.

The new rules mean Medicare Advantage and stand-alone drug plans with prescription drug benefits will no longer just be able to send written communications to members in hopes they will contact the plan and join a medication therapy management (MTM) program. They will have to enroll eligible members automatically and, unless members opt out, reach out to them in a more personal way—either by phone or through face-to-face consultations with members at least once a year. Three quarterly follow-ups can be via faxes.

Table 2-1: California's Largest Sponsors Of Medicare Part D Prescription Drug Plans

Company	February 2009 Enrollment	February 2010 Enrollment
UnitedHealthcare	338,609	356,771
Anthem Insurance Co. and UniCare (WellPoint)	337,544	307,061
Health Net	218,677	225,883
WellCare	215,948	197,772
Humana	105,518	93,217

Source: Centers for Medicare & Medicaid Services

Sponsors have to target more seniors—they can't weed out those with eight or fewer prescriptions or three or more chronic conditions—and they must reach out to those who are likely to spend \$3,000 a year on medications, not \$4,000, as before.

The new requirements are expected to bring almost a quarter of the nearly 28 million seniors and disabled people who receive coverage through Part D plans into medication therapy management, about twice as many as last year, said Peter Ashkenaz, spokesman for the Centers for Medicare & Medicaid Services.

One of the biggest impacts will be felt in California, where there are 1.64 million Medicare members enrolled in stand-alone Part D prescription drug plans (PDP) and another 1.59 million Californians enrolled in Medicare Advantage Part D plans in 2010, according to CMS.

Medication Reviews Flying Under The Radar

Part D sponsors have been required to have MTM programs in place since the federal benefit began in 2006, with the notion that periodic reviews of a patient’s multiple chronic medications will improve safety and effectiveness of the drug benefit.

But at least in the early years, many of sponsors took the path of least resistance—sending brochures and letters in the mail and expecting seniors to contact them if they wanted medication reviews. That has resulted in this program largely flying under the radar of those who regularly counsel and advocate for beneficiaries.

Representatives of some pharmacists groups and Medicare advocacy organizations say they have heard barely a whimper about the MTM programs. Michael Negrete, PharmD, CEO of the Pharmacy Foundation of California, said he is in touch regularly with officials who work with beneficiaries through health information counseling programs. “But I have yet to hear anything about it. To be fair to the plans, a lot of them might be waiting until the end of the first quarter to gather claims data together to see who fits their targeted criteria,” he said.

Early on, he ran a subsidiary of the California Pharmacists Association, which was established to create networks of pharmacists to provide MTM services, but it had to close shop because there wasn’t enough activity. Negrete tried to convince health plans to involve community-based pharmacists in their MTM programs, but found little interest. Some of the larger ones have preferred to reach out to customers through telephone consultations with in-house pharmacists.

Both Blue Shield of California and Anthem Blue Cross use clinical algorithms to identify members likely to be eligible for MTM and then send them a letter asking them to get in touch for a review, offering a phone consultation. When Blue Shield announced its program in 2006, the carrier reached out through mailings to about 2 percent of its 65,000 Part D members, and about 4 percent of those were automatically enrolled and connected by phone to in-house clinical pharmacists, although they also had an option to talk to community pharmacists.

Plans Get Ahead Of 2010 Requirements

More than 80 percent of plans in 2009 were already compliant with the new eligibility thresholds taking effect in 2010, according to CMS. Forty-eight percent of the providers used in-house staff only in the MTM interventions, and pharmacists were used most of the time. Of those that used outside personnel, nearly 60 percent used a PBM, 6 percent a disease management vendor and 19 percent a MTM vendor.

Table 2-2: Percentage Of Eligible Medicare Beneficiaries Participating In MTM Programs

	2006	2007	2008
All MTM programs	65.4%	82.7%	85.2%
Medicare Advantage Part D	70.8%	78.5%	84.9%
Stand-alone Prescription Drug Plans	64.4%	83.8%	85.5%

Source: Centers For Medicare & Medicaid Services

Anthem Blue Cross’ interventions in 2010 will be more intensive, with all of its MTM members getting comprehensive one-on-one reviews by a pharmacist. This year, the carrier will provide a computer-generated monthly review of all 200,000 MTM-eligible members, who will be invited to participate in a phone call with

in-house pharmacists. “We anticipate that approximately 10 percent will actively call to set up an appointment with the pharmacist,” said spokeswoman Leslie Porras. Those who don’t call in for a pharmacist consultation will get a comprehensive written analysis of their situation.

Porras said the company decided this year to coordinate pharmacist reviews with case-management reviews of all of its Medicare Advantage Part D members enrolled in both programs. “This will enable MA PD members to speak with their case manager—with whom they have already formed a relationship—and at the same time speak with their MTM pharmacist on the phone. This effort helps to further promote the coordination of care.”

MTM Vendors Promote Use Of Community Pharmacists

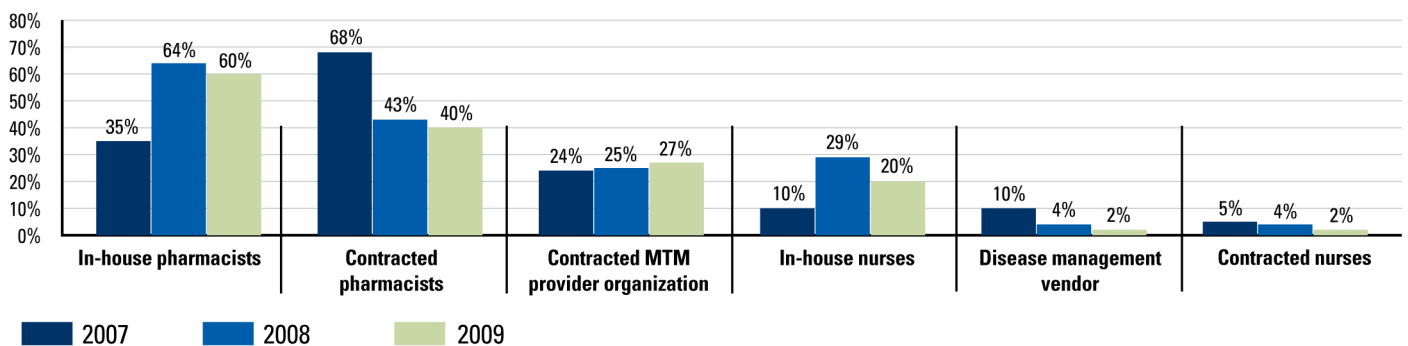
Pharmacist-based MTM vendors argue that plans would see best results if they use community pharmacists, ideally in a face-to-face consultation with patients. That way, they can gather all of the patient’s medications, eliminate ones with unsafe interactions and also suggest lower-cost alternatives.

One of the largest vendors is guaranteeing clients that for every \$1 they spend on MTM, they can save at least \$1, although return on investment averages \$1.87. That happens because, often, a pharmacist is able to work with patients and their prescribers to find generic medications that are equally effective but less costly than brand name medications, said Brand Newland, PharmD, Vice President of Outcomes Pharmaceutical Health Care, a Des Moines, Iowa-based MTM vendor and one of the largest in this industry.

Newland said California represents the largest client base for Outcomes; its MTM contracts involve plans such as Alameda Alliance for Health, Fresno City Employees Health & Welfare Trust, Health Plan of San Mateo, L.A. Care Health Plan and Santa Fe Employees Hospital Association-Coast Lines. Outcomes also works with Humana nationwide.

He tells his clients that the overall ROI is \$4.73 to \$1, taking into account the avoided physician visits, hospitalizations and unnecessary prescription costs. When it comes to the performance guarantee Outcomes offers, Newland said clients are most receptive to focusing on the drug product costs alone, which is more quantifiable.

Table 2-3: Providers Utilized By Payors To Deliver MTM Services (Multiple Responses Allowed)



Source: American Pharmacists Association; Medication Therapy Management Digest: “Perspectives on 2009: A Year of Changing Opportunities.”

“That’s gotten a lot of good responses from the plans, because that’s something about which there’s really no disagreement,” he said. “We can calculate what the savings were for a patient changing the brand-name to the generic, and you can wrap your mind around that.” Another of the nation’s largest MTM vendors is Mirixa Corp., which contracts with more than 40,000 pharmacies and has completed 475,000 patient cases since it was formed by the National Community Pharmacists Association in 2006. Its MirixaPro platform provides a database of patient information used by pharmacists to conduct the reviews.

Most of its clients are national sponsors, like Universal American, and more are coming to the vendor for help in meeting the new guidelines, said CEO Rick Solano. Mirixa recently added Aetna as a client in February. The national carrier, with over 12,000 PDP members in California, will be using community pharmacists for the first time, rather than an in-house call center, Solano said.

MTM Programs Save Money By Eliminating Waste

He also believes that using pharmacists in the community saves money. “What we find, in the cases that are done on MirixaPro, is the elimination of duplicative therapies is a large cost-saver, as well as switching to generics,” Solano said.

Mirixa’s client base was involved in a study published by the *Journal of the American Pharmacists Association* on the impacts of MTM programs in 2007. The results showed that patients receiving MTM services in person from community pharmacists (either on the phone or in the pharmacy) had a decline in monthly drug costs of \$35. The mean monthly drug costs didn’t change for people getting a mailing.

Still, some carriers, especially the very large ones, prefer to maintain the phone interaction and say it’s just as effective. Anthem, for instance, does not use community pharmacists for these consultations.

“The MTM program requirements we have implemented would distract from the valuable services retail pharmacies currently provide,” Porrás said. “In addition, we believe that utilization of the call center pharmacists allows us to deliver a consistent and measurable set of services that we believe results in high quality and objective reviews.”

Tony Perkins, an analyst with First Analysis Securities Corp., who covers the pharmacy benefit management industry, said PBMs have argued that patients are actually more comfortable talking to a call-center pharmacist by phone, where they can be somewhat anonymous, rather than in a retail setting, where the pharmacists often are rushed. “They are young and in a hurry and seem, in general, not to have the time to care as much as you’d like,” he said.

Pharmacist Intervention And The Compliance Factor

Although the pharmacist intervention can result in a patient taking fewer and less-costly medications, it can also result in increased compliance with medications, which can offset the losses to the manufacturer. To a great extent, that depends on the philosophy of the program operator, said Negrete of the Pharmacist Foundation.

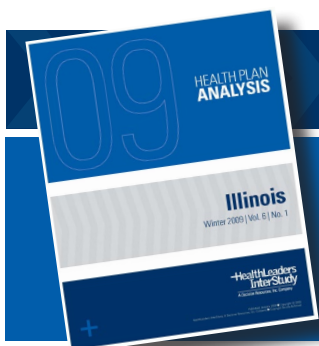
The experience of Health Net of California sheds some light on this. The carrier in 2008 enrolled about 90,000 members in its MTM program, run by the Health Net Pharmaceutical Services subsidiary. Of the more than 162,000 drug-related problems identified, the pharmacists intervened in approximately 50,000 cases in which they tried to get customers to increase their compliance with medications. In 45,000 cases, they intervened to explain potentially adverse drug interactions, in 44,000 cases to reduce the cost of care, 20,000 to fill gaps in care with their doctor, and 3,000 to stop duplicate drug therapy.

The benefits of MTM have spread into commercial health insurance programs and become part of the disease or case-management program that coordinates care for those with chronic diseases. Such programs also stand to get a boost from the latest federal healthcare reform law, which will provide grants to eligible entities to implement pharmacist-delivered MTM services.

“MTM services gather medication-related information and provide education to patients—both important components in getting patients engaged in their health. It’s a logical extension of what has been going on for years around disease management,” Solano said.

Outlook

Because the new rules will bring more patients in for medication reviews, the potential exists to cause a noticeable shift in drug volumes. More members will have personal interactions with pharmacists, who will help them pare down their unnecessary medications and switch them to lower-cost alternatives. Some of the resulting reduction in prescription volume for brand-name drugs will be offset if pharmacists use the opportunity to encourage members to be more compliant with medications. ■



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