

### Findings at a Glance

## MODEL OVERVIEW

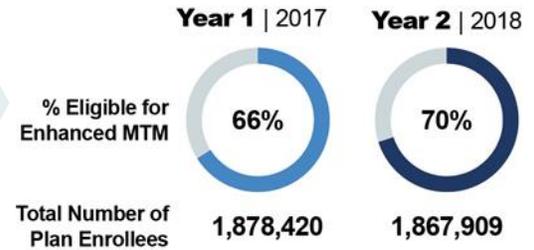
The Enhanced Medication Therapy Management (MTM) Model—which began in January 2017—is a 5-year Model to test whether modifications to traditional MTM requirements incentivize better medication management interventions, and thereby lead to improved therapeutic outcomes and reduction of Medicare expenditures. The Model provides Part D prescription drug plan sponsors with additional flexibilities and financial incentives not present under traditional MTM.

### Model Design Innovations

- ✓ Increased flexibility to target plan enrollees and offer services tailored to enrollee characteristics
- ✓ Prospective payments to support implementation of interventions without increased plan premiums
- ✓ Performance payments in the form of a premium subsidy for reducing Medicare Parts A & B costs relative to a benchmark
- ✓ New eligibility and encounter data reporting requirements

## PARTICIPANTS

Model participants included 6 Part D prescription drug plan sponsors representing 22 Plan Benefit Packages (PBPs) in 5 regions.  
*Sponsors: SilverScript/CVS, Humana, Blue Cross Blue Shield (BCBS) Northern Plains Alliance (NPA), UnitedHealth, WellCare, BCBS of Florida*



## MODEL IMPLEMENTATION

In response to the Model’s flexibility and incentives, participating sponsors:



**Offered multiple Enhanced MTM interventions, defined by its own unique targeting criteria and associated service(s).**

In Year 2, sponsors offered between 2 and 8 Enhanced MTM interventions, totaling 26.



**Targeted plan enrollees for distinct interventions based on medication use, vaccine status, chronic conditions, high costs, or hospital discharge.**

In Year 2, 80% of plan enrollees eligible for Enhanced MTM were targeted based on medication use.



**Offered services that were either “high intensity” (i.e., interactive consultations with plan enrollees) or “low intensity” (i.e., noninteractive).**

In Year 2, among eligible plan enrollees, 40% received at least one Enhanced MTM service. 29% received high-intensity services and 19% received low-intensity services.

### Compared to Year 1, in Year 2:

- Four sponsors added 7 new Enhanced MTM interventions, expanding their targeting criteria and types of services offered.
- A substantially larger percentage of plan enrollees were eligible for 2+ interventions (45% in Year 1; 56% in Year 2).
- About 300,000 more services were delivered (1.1 million in Year 1; 1.4 million in Year 2), most of which were high-intensity services.
- More eligible plan enrollees received services (426,509 enrollees in Year 1; 514,632 enrollees in Year 2).

### FINDINGS

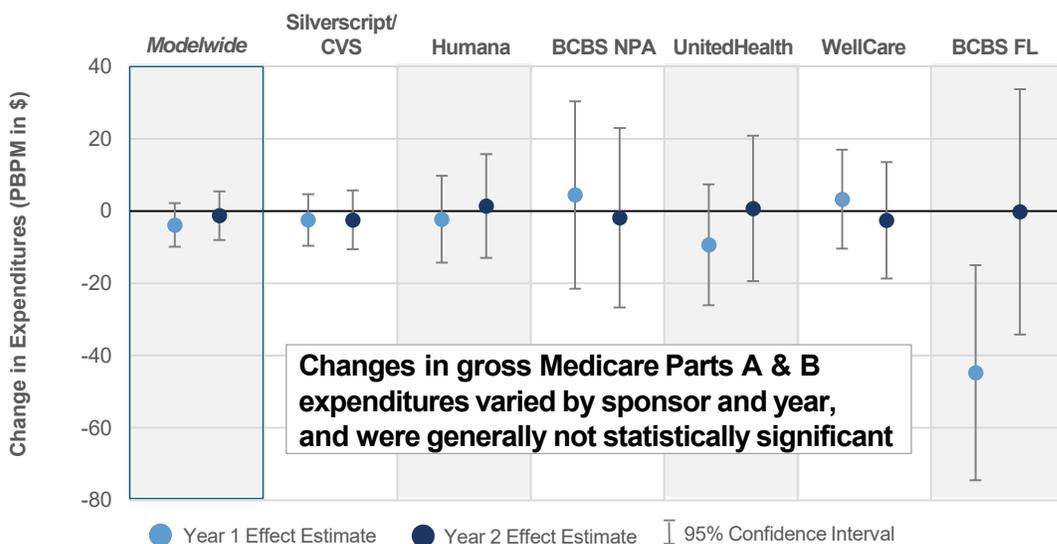
**Modelwide, there were no impacts on gross or net Medicare expenditures in the first two years.**

Non-significant Reductions in Gross Expenditures + Projected Model Payments = Non-significant Increases in Net Expenditures

	PBPM	PBPM Prospective + Performance	PBPM	Aggregate, in Millions
<b>Year 1 (2017)</b>	<b>-\$3.85</b> [-10.05, 2.35]	<b>\$4.23</b>	<b>\$0.38</b> [-5.82, 6.58]	<b>\$7.64</b> [-117.94, 133.23]
<b>Year 2 (2018)</b>	<b>-\$1.27</b> [-8.23, 5.68]	<b>\$5.06</b>	<b>\$3.79</b> [-3.17, 10.74]	<b>\$76.18</b> [-63.67, 215.83]
<b>Cumulative</b>	<b>-\$2.65</b> [-8.14, 2.83]	<b>\$4.64</b>	<b>\$1.99</b> [-3.50, 7.47]	<b>\$80.40</b> [-141.11, 301.51]

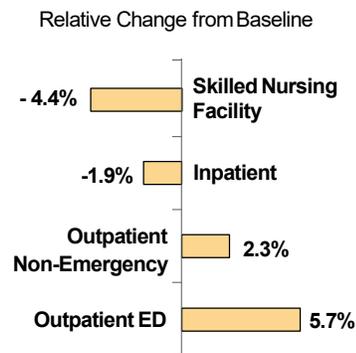
PBPM = Per Beneficiary Per Month; 95% confidence intervals (CIs) are shown in square brackets. Estimates with CIs crossing 0 are not statistically significant, meaning the evaluation cannot confidently state whether spending increased or decreased.

#### By Sponsor



#### By Setting

**Modelwide: Spending changes varied by setting over the first two years (cumulative)**



**Note:** All estimates shown are significant at the 1 percent level

### KEY TAKEAWAYS

- > At the end of 2018, the second year of the five-year Model, there were no statistically significant impacts on Medicare Parts A & B expenditures.
- > Medicare's prospective and performance-based payments to sponsors for the Model were slightly larger than estimated non-significant decreases in Medicare Parts A & B expenditures. The Model, therefore, generated net losses for Medicare, though the estimate is not statistically significant.
- > Inpatient and skilled nursing facility spending declined, although these reductions were partially offset by increases in outpatient spending.
- > Sponsors continued to adjust implementation in Year 2, leading to increases in the number and percentage of eligible plan enrollees who received services, relative to Year 1.