



2014 MTM TRENDS REPORT



“Welcome to the 2014 OutcomesMTM Trends Report. Over the past year, the market for MTM services continued to advance with more and larger entities employing MTM to enhance healthcare quality in cost-effective ways. Local pharmacists—armed with the tools and infrastructure OutcomesMTM provides—impact patients in ways that inspire us every day. We hope you gain insight into this rapidly advancing segment of healthcare and find inspiration from the stories we share within this report.”

THalterman

Tom Halterman, CEO
OutcomesMTM™





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The Personal Value of MTM

Personal Pharmacist™ Randall Dawes, Valucare Pharmacy, Waukesha, WI

During a Comprehensive Medication Review, Randall's patient confided that she was struggling with compulsions. Uncontrollable urges to shop and spend money had put her into so much debt that she sought private loans to hide the problem. The patient had already consulted with her primary doctor, a psychiatrist and a therapist with no positive results. During her consultation, Randall reviewed his patient's current medications. He noticed that she was taking a medication for restless leg syndrome that can cause a side effect of compulsive behavior in rare cases. When Randall told the patient that a medication may be causing these compulsions, she burst into tears. She said that she finally had hope that her problem could be fixed. Randall contacted the patient's doctor to recommend stopping the medication, and the doctor agreed. Since discontinuing the medication, the patient is no longer experiencing uncontrollable urges, and her quality of life has greatly improved.

KEY FACTS

CMS 2013 MTM

Centers for Medicare and Medicaid Services (CMS) + Medicare Part D Medication Therapy Management (MTM) Programs Facts

Almost one-quarter of MTM programs used expanded eligibility requirements beyond CMS' minimum requirements
>> 160 programs out of 645

42% of programs offer face-to-face consultations
(up from 28.4% in 2012)



Source: Centers for Medicare and Medicaid Services (CMS) 2013 Medicare Part D Medication Therapy Management (MTM) Programs Fact Sheet.

31% of all initial drug prescriptions were not filled within nine months

Source: Ann Intern Med. 2014;160(7):441-450. doi:10.7326/M13-1705



About **one-third of new drugs** introduced in the U.S. from 2005 to 2012 were approved by government regulators on the basis of a single large clinical trial, according to a new study.

Source: JAMA. 2014;311(4):368-377. doi:10.1001/jama.2013.282034

“With the increased complexity of therapy options and the aging of the population, medication therapy management (MTM) support is often necessary to ensure a desired outcome of a patient’s drug therapy.”

Source: Moore, Janice, Deborah Shartle, Larry Faudskar, Olga Matlin, and Troyen Brennan. “Impact of a Patient-centered Pharmacy Program and Intervention in a High-risk Group.” Journal of Managed Care Pharmacy 19.3 (2013): 228-236.

42%
of patients 65 and older took five or more prescription drugs in 2012, and the average number of drugs taken increases from five at age 65 to seven at age 85.

According to the study findings, **patients enrolled in MTM programs experienced significant improvement** in the quality of their drug regimens. MTM programs consistently helped improve adherence and discontinue the use of high-risk medications for both CHF and COPD patients.

Comprehensive medication reviews demonstrated a positive impact across most outcomes for patients who received them. **Patients who received a CMR experienced significant improvements in the quality of their drug regimens**, while those who did not incurred on average about **\$1,034 more** in inpatient costs during the study period.

Source: “Avoidable Costs in U.S. Healthcare: The \$200 Billion Opportunity from Using Medicines More Responsibly.” IMS Institute for Healthcare Informatics. June 2013

2014-2015 NATIONAL MTM ADVISORY BOARD

PAYORS

PAYORS	REPRESENTATIVE	TITLE
AultCare	Terra Wonsettler	Director of Pharmacy
CareSource	James Gartner	Vice President of Pharmacy
Humana, Inc.	Michael Taday	Director, HPS Pharmacy Professional Practice
Medica Health Plan	David Coffee	Clinical Program Manager - Pharmacy Services
Noridian Mutual Insurance Company	Paul von Ebers	President and Chief Executive Officer
Prime Therapeutics	David Lassen	Chief Clinical Officer
Priority Health	Erica Clark	Director, Clinical Pharmacy Programs
Security Health Plan	Twila Johnson	Director of Pharmacy Services
W-Squared	Winston Wong	President

PROVIDERS

American Pharmacy Cooperative, Inc.	Jonathan Marquess	VP, Professional and Clinical Affairs
Apple Discount Drugs	Geoff Twigg	Clinical Pharmacist
Discount Drug Mart	Michele Golob	NE Ohio Regional Pharmacy Supervisor/MTM Clinical Specialist
New Albertson's Inc.	Anthony Provenzano	Director of Clinical Programs
Pharmacy Administration Strategies, LLC	Leslie Kanofsky	Owner, Pharmacist
Thrifty White Drug	Timothy L. Weippert	Executive Vice President Pharmacy
Walgreens Co.	Jay Nadas	Director of Retail Clinical Pharmacy Programs

CONSUMERS

National Consumers League	Rebecca Burkholder	Vice President of Health Policy
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MEDICAL DIRECTOR

Predictive Health, LLC	Joel Brill	Physician, Outcomes Medical Director; Chief Medical Officer, Predictive Health, LLC
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Formed in 2010, the National MTM Advisory Board brings together representatives from multiple stakeholder groups to build consensus and influence policy development in the MTM industry. The Board incorporates a diverse mix of viewpoints and experience from payors, consumers, prescribers and pharmacists. As thought leaders, members of the Board address both the short- and long-term positioning of MTM services within the larger healthcare picture. OutcomesMTM provides administrative support to the board.

Advocacy

DTP Definition

In response to industry discussion on quality measure development, the National MTM Advisory Board released its definition of a drug therapy problem (DTP). A standard definition is vital for accurate reporting and benchmarking.

CMR Companion Measures

Following the 2014 CMS Call Letter, the Board proposed a companion measure of number of drug therapy problems resolved per CMR to ensure quality of service remains and effectiveness can be measured.

MTMP Eligibility

The National MTM Advisory Board provided comments on Medication Therapy Management Program (MTMP) eligibility criteria. While Medicare plan-to-plan inconsistency in MTM eligibility criteria has been somewhat limited due to refinements introduced by the Centers for Medicare and Medicaid Services (CMS), wide variability persists. The Board recommended consideration of the establishment of a minimum percentage of a plan sponsor's overall population which must qualify for the MTM program offered by the sponsor.

MTM DEVELOPMENTS

01.2013

iCARE HEALTH PLAN EXPANDS FACE-TO-FACE MTM OFFERING
iCare's success with the OutcomesMTM program since 2010 leads to growth

02.2013

AMERIGROUP LAUNCHES MEDICAID MTM PROGRAMS
Amerigroup selects OutcomesMTM to administer MTM services for its Medicaid members in three states

07.2013

HY-VEE ADDS MTM TO EMPLOYEE BENEFITS
Hy-Vee, Inc., a network provider offers MTM to its employees and dependents

09.2013

NATIONAL MTM ADVISORY BOARD

- Releases definition of drug therapy problem to encourage a standardized definition for more accurate reporting and benchmarking
- Comments to CMS on MTMP eligibility
- Encourages CMS to adopt one or more quality-focused companion measures to evaluate the effectiveness of CMRs in identifying and resolving medication-related complications

01.2013

OUTCOMESMTM IS SELECTED BY BLUE SHIELD OF CALIFORNIA FOR MTM SERVICES
OutcomesMTM provides MTM services to Blue Shield of California members beginning Feb. 1, 2013

03.2013

OUTCOMESMTM NAMES TOP PHARMACY-BASED MTM CENTERS ACROSS THE COUNTRY
Walgreens and Kerr Drug are named top large pharmacy chain and top regional pharmacy chain, respectively

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

2013

01.2013

CARESOURCE LAUNCHES MEDICARE MTM PROGRAM WITH OUTCOMESMTM
CareSource partners with OutcomesMTM to provide MTM services to CareSource Advantage® (HMO SNP) members

02.2013

OUTCOMESMTM "24/7 MTM" CONCEPT FEATURED IN PHARMACY TODAY MTM PROFILE
14-year-old company leverages pharmacist skills to improve health care around the clock



04.2013

MEDICA LAUNCHES COMMERCIAL MTM PROGRAM WITH OUTCOMESMTM
Safe, effective medication use is the goal of Medication Therapy Management services



06.2013

FIRST ANNUAL MTM TRENDS REPORT

10.2013

OUTCOMESMTM PIONEERS ACO-MTM MODEL
Trinity Pioneer ACO patients became eligible for MTM services as part of a two-year study with the University of Iowa and UnityPoint Health

08.2013

OUTCOMESMTM INTRODUCES NEW CONNECT™ PLATFORM
Taking a patient-centric approach, the new platform optimizes MTM delivery and administration

2014

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

01.2014

OUTCOMESMTM FORMS NEW QUALITY DIVISION
Goal is to further align the company's programs with national standards and shape future MTM programs

03.2014

NATIONAL MTM ADVISORY BOARD
The Board recommends considering the establishment of a minimum percentage of a plan sponsor's overall population that must qualify for the plan's MTM program

04.2014

CARESOURCE EXTENDS MTM SERVICES TO NEW EXCHANGE PROGRAM
Members of the CareSource Ohio Exchange-Just4Me plan can access MTM services at local pharmacies



05.2014

PHARMACY TODAY
Reimbursement model article features CareSource and its OutcomesMTM program

02.2014

BLUECROSS BLUESHIELD OF TENNESSEE IMPLEMENTS F2F MTM PROGRAM
Members will have access to CMRs and other MTM services from community pharmacists

03.2014

HOMETOWN HEALTH LAUNCHES F2F MTM PROGRAM
Senior Care Plus members to receive MTM services from specially-trained local pharmacists



04.2014

TOP MTM CENTERS ANNOUNCED FOR 2013:

- The Kroger Co.**
Top Large Chain
- Discount Drug Mart**
Top Regional Chain

MTM IN ACTION



Improving Administration Technique

Personal Pharmacist™ Geoffrey Twigg Apple Discount Drugs – Salisbury, MD

While conducting a Comprehensive Medication Review, Geoffrey discovered the patient was not administering his insulin appropriately. The patient was using the same injection site every day, causing significant damage to his skin. In an attempt to limit this damage, the patient was injecting a smaller amount than prescribed or skipping insulin injections altogether. Geoffrey educated the patient on the importance of rotating injection sites every day and on alternative injection sites that he could use.

Two weeks later, Geoffrey followed up with the patient. The patient reported that he was successfully rotating his injection sites and was no longer having problems. Thanks to Geoffrey's intervention, the patient's blood sugar is under better control, and the patient's quality of life has improved.

Averting Dangerous Drug Interaction

Personal Pharmacist™ Lise Hennick Kroger Pharmacy – Suwanee, GA

One of Lise's patients was experiencing episodes of severe low blood pressure despite aggressive treatment by his cardiologist. The cardiologist had prescribed three medications to help raise the patient's blood pressure, but the patient was still experiencing symptoms. Lise noticed the patient's primary care doctor had recently prescribed a new prostate medication for the patient. She knew that a common side effect from this medication is low blood pressure. Lise contacted the patient's cardiologist to determine if he was aware the patient was taking the prostate medication since it was prescribed by a different doctor. The cardiologist immediately had the patient discontinue the prostate medication because of his uncontrolled low blood pressure. Thanks to Lise, the patient's blood pressure is now stable, and a potentially life-threatening drug interaction was prevented.

Correcting Medication Mix-up

Personal Pharmacist™ Jessica Maltz Walgreens Drug Store – St. Petersburg, FL

Jessica's OutcomesMTM-eligible patient brought in all of his medications so that Jessica could review them with him. During this consultation, Jessica noticed the patient was keeping his medications in improperly labeled bottles. She was concerned when she saw that he kept medication for his acid reflux disease in a container labeled for his blood thinner. Jessica knew the patient could inadvertently miss doses of his blood thinner, which would put him at a high risk for a blood clot. Alternatively, if he took extra doses of his blood thinner, he would have a high risk of bleeding. Jessica helped the patient correctly identify his medications and put them in the correct containers. Jessica followed up with the patient a few weeks later to see if his medications were still correctly labeled. The patient told Jessica that, thanks to her help, he recognized the importance of taking his medications exactly as prescribed, and he planned to hire a home health nurse to help him with administering his medications.

Clarifying Misinterpretation

Personal Pharmacist™ Dawn Blaylock Blount Discount Pharmacy – Alcoa, TN

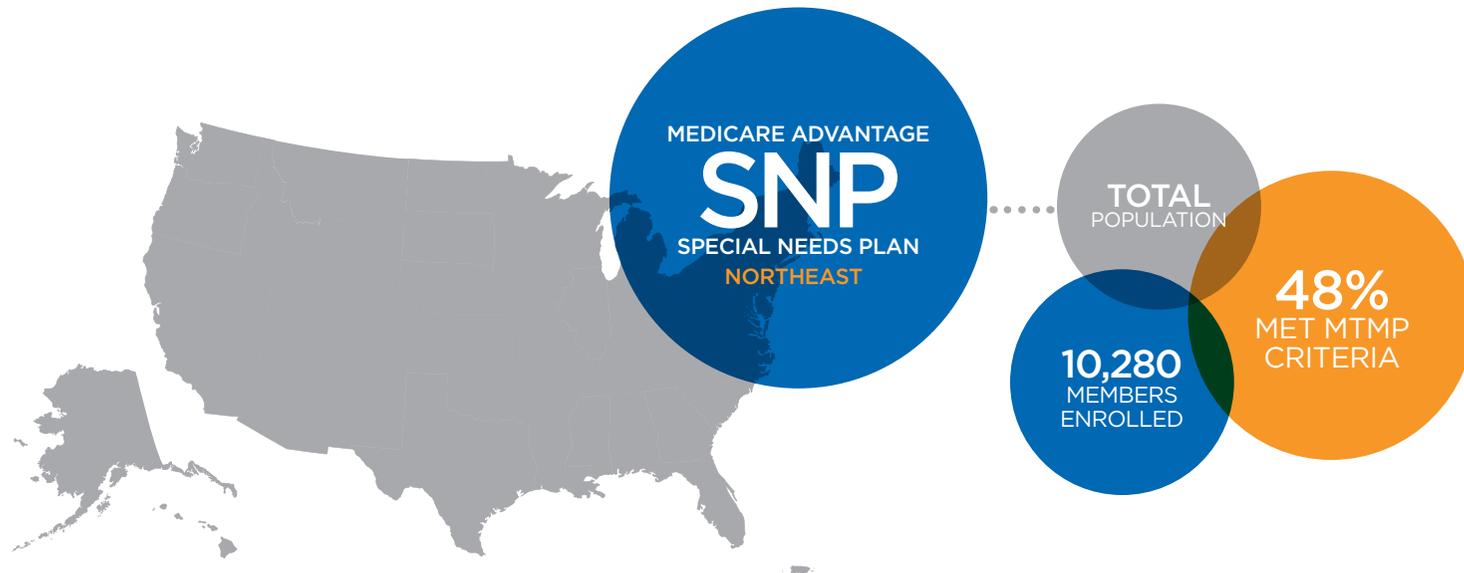
Chemotherapy is often very complex and consists of multiple medications used over an extended period of time. If the medications are not taken exactly as prescribed, effectiveness of the entire regimen can be decreased. Dawn was reviewing a cancer-fighting medication with her patient when she realized the patient had misunderstood the directions for this drug. The doctor wanted the patient to take five tablets one time per week, but the patient was taking one tablet Monday through Friday of each week. Dawn knew that without a large burst of this medication each week, the entire cancer treatment could fail. Dawn contacted the prescriber and alerted him of the error. The physician believed that the chemotherapy could still be successful if the mistake was immediately corrected. By catching this error early on, Dawn helped ensure that the patient received the greatest benefit from her chemotherapy.



MTM SPOTLIGHT

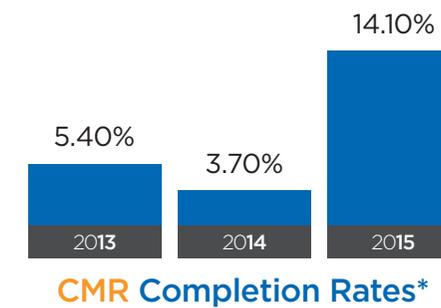
Medicare Population >> SENIOR WHOLE HEALTH

PROGRAM STARTED | 2008

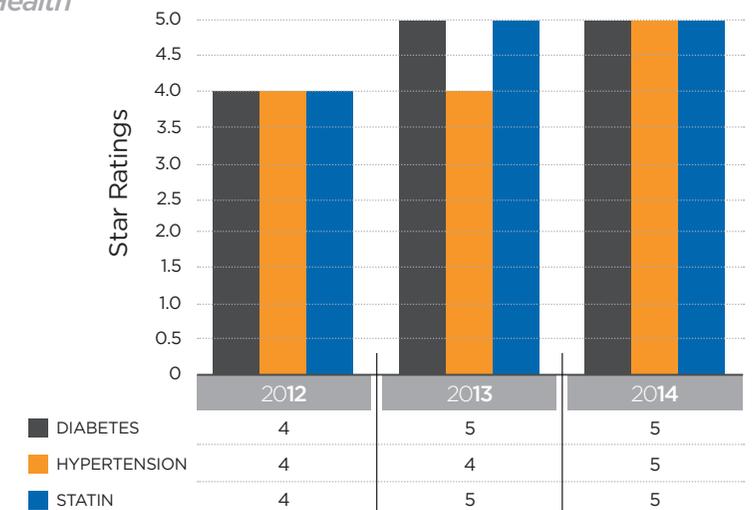


“There shouldn’t be any doubt that providing MTM services improves health outcomes. Senior Whole Health uses a high-touch approach to serving our senior dual-eligible population. OutcomesMTM uses the strength of its contracted community pharmacists to provide personal face-to-face consultations to support our mission of maximizing the quality of life, health, security and independence of our members. We value our strategic partnership with OutcomesMTM.”

Michael T. Takach, MS, RPh, Senior Whole Health
Director, Pharmacy Services



Patient Safety Adherence Measures*



*All years displayed align with CMS Star Rating performance years. Example: 2013 Star Rating performance year is based on 2011 data.

Return on Investment (ROI):

Based on OutcomesMTM’s Actuarial Investment Model (AIM™)

- o AIM assigns an estimated cost (externally validated by an actuarial firm) to each severity level. Pharmacists choose the appropriate severity level for each intervention except for those preset by OutcomesMTM. (Claims for cost savings are automatically assigned a **Level 2**.)
- o Claims are reviewed by an independent, third-party quality-assurance company to verify documented claims follow established guidelines. AIM savings are then calculated and reported to the client.

ROI

OVERALL AIM
\$9.14:\$1

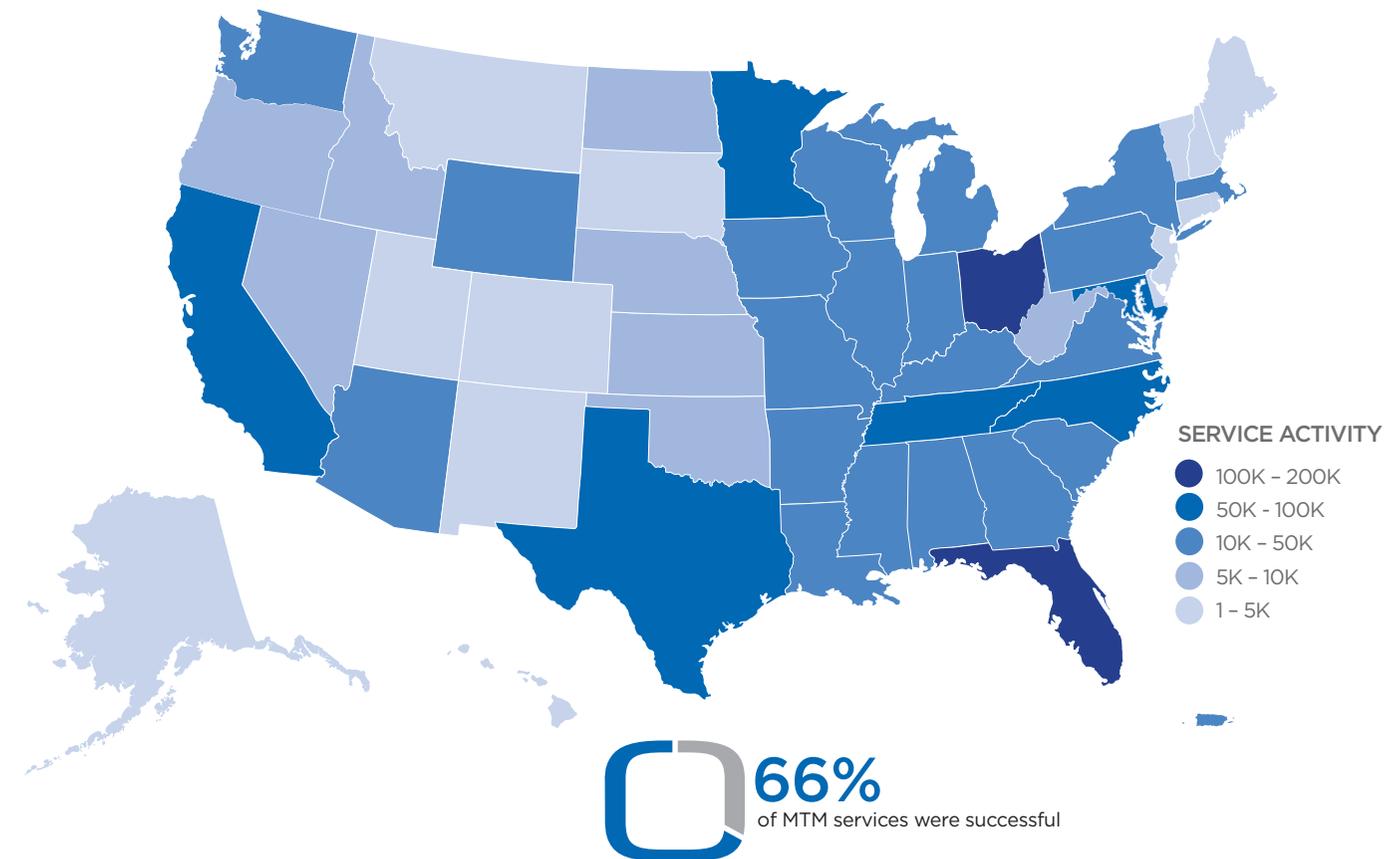
LEVEL 2 Drug Product Cost Savings
\$1.26:\$1



NETWORK PERFORMANCE

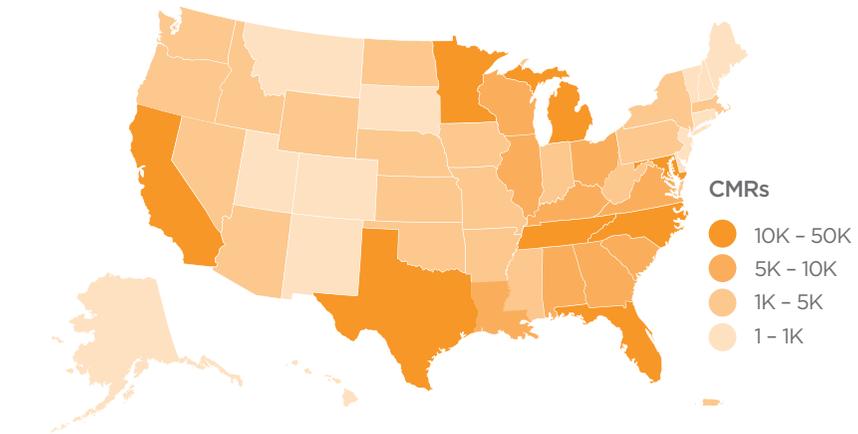
MTM SERVICE ACTIVITY

This map provides a state-by-state comparison of overall MTM service activity including all claim types: Comprehensive Medication Reviews (CMRs), prescriber consultations and patient consultations for education/monitoring and adherence.



COMPREHENSIVE MEDICATION REVIEWS

This map details a state-by-state comparison of Comprehensive Medication Review (CMR) claims submitted in 2013.

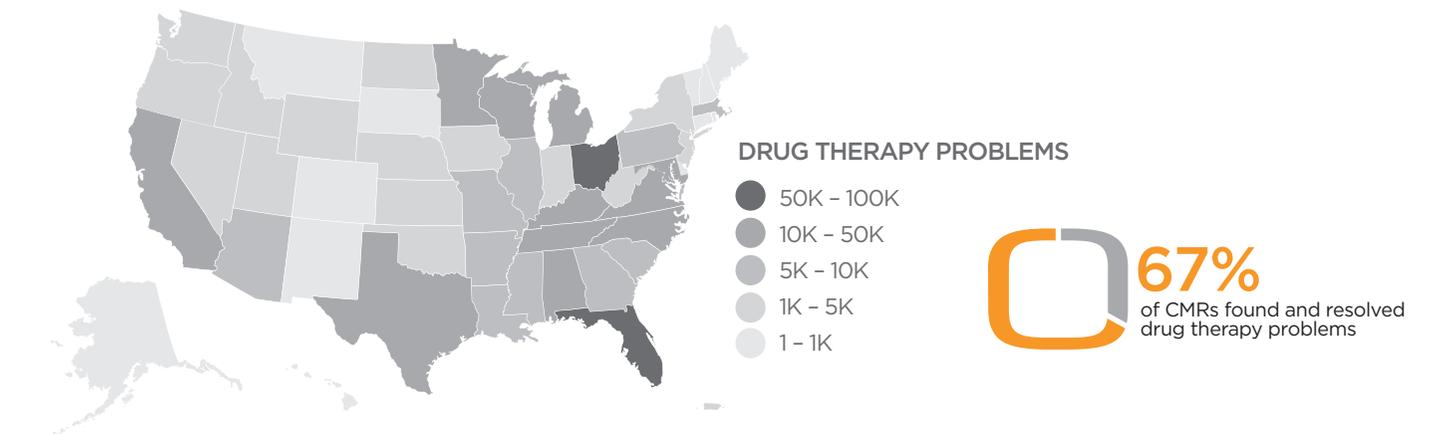


ONCE A PATIENT EXPERIENCES A CMR, HE/SHE IS **2X MORE LIKELY TO ACCEPT** THE SERVICE IN THE FUTURE.

For OutcomesMTM's Medicare book of business, the **CMR completion rate doubled** from 2012 to 2013.

DRUG THERAPY PROBLEMS

This map displays a state-by-state comparison of MTM services related to drug therapy problems (DTPs). This subset includes prescriber consultations and patient adherence consultations.



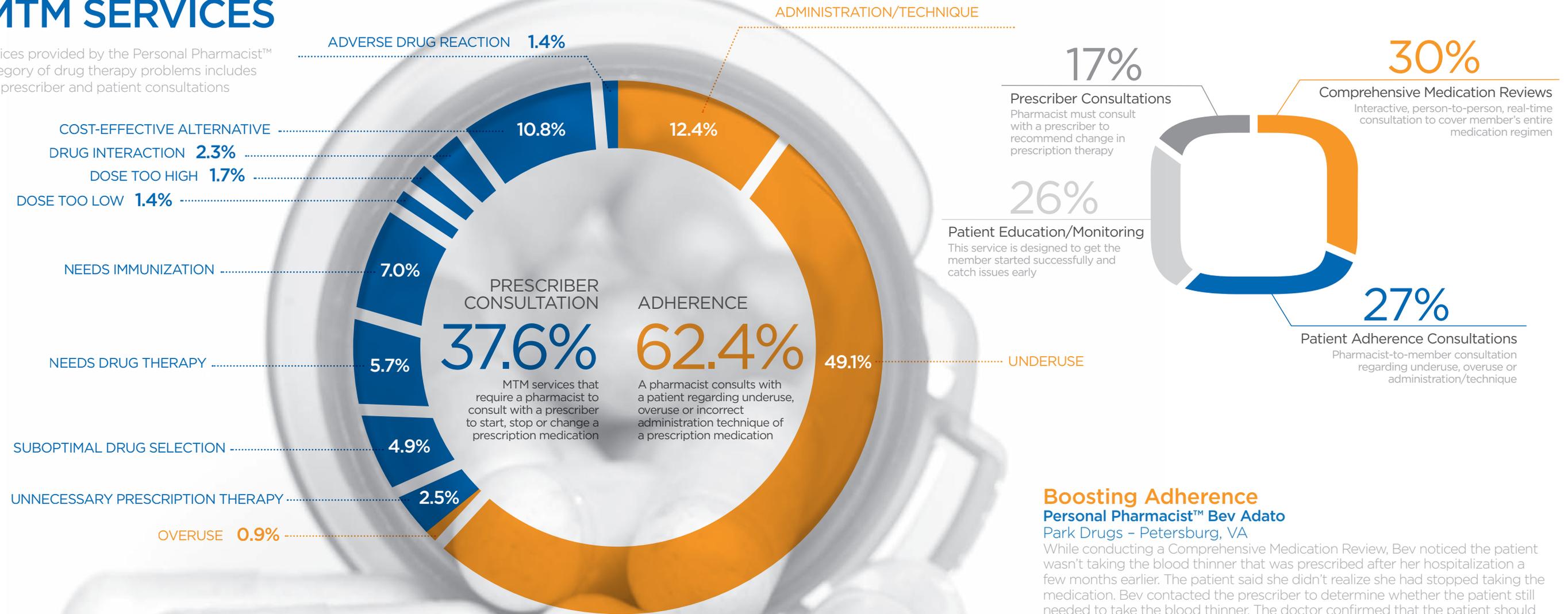
*Maps represent MTM activity based on MTM service claims from 2013. All data maps were based upon patient's state of residence.

SUCCESSFUL MTM SERVICES

These graphics illustrate successful MTM services provided by the Personal Pharmacist™ Network in 2013. For OutcomesMTM, the category of drug therapy problems includes interventions that require consultation with a prescriber and patient consultations regarding adherence issues.

Reducing Medication Risk Personal Pharmacist™ Denice Mitchell

Walgreens Drug Store – Boise, ID
Denice received a TIP for one of her elderly OutcomesMTM-eligible patients regarding a high risk medication for patients more than 65 years old. The strong sleeping aid can be dangerous due to potential side effects, such as delirium, which can lead to falls. When Denice discussed this potential issue with the patient, the patient reported recent trouble with his memory. The patient also said he had been feeling confused and had recently hit some parked cars while driving. The patient had attributed these problems to old age, but Denice was concerned these symptoms could be side effects of his sleeping medication. The patient's doctor agreed with Denice's recommendation for a trial discontinuation of the sleeping medication. The patient was very grateful that Denice recognized this adverse drug reaction, and his memory and coordination have greatly improved.

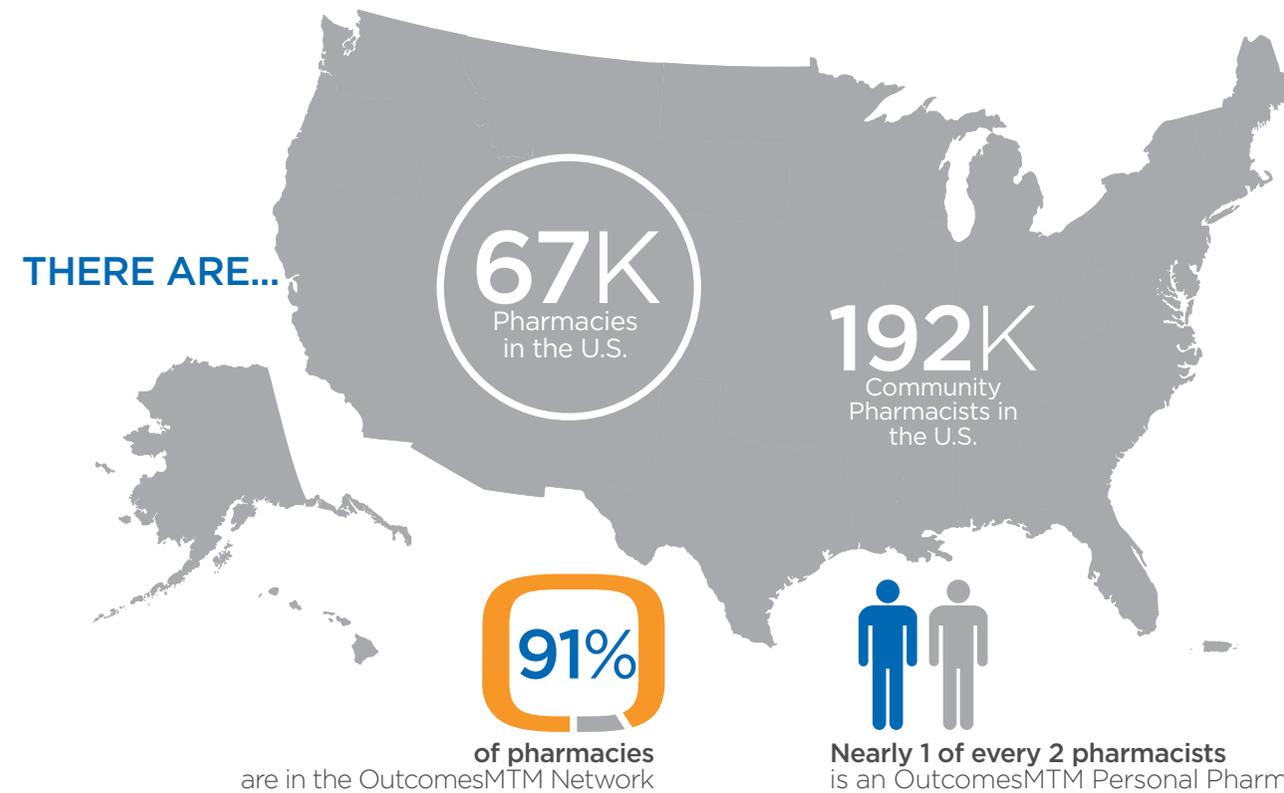


Boosting Adherence Personal Pharmacist™ Bev Adato

Park Drugs – Petersburg, VA
While conducting a Comprehensive Medication Review, Bev noticed the patient wasn't taking the blood thinner that was prescribed after her hospitalization a few months earlier. The patient said she didn't realize she had stopped taking the medication. Bev contacted the prescriber to determine whether the patient still needed to take the blood thinner. The doctor confirmed that the patient should resume taking this medication to reduce her risk for a second blood clot. Thanks to Bev, the patient now understands the importance of taking her blood thinner as prescribed and has not returned to the hospital.

POWER OF THE NETWORK

1M+
CLAIMS



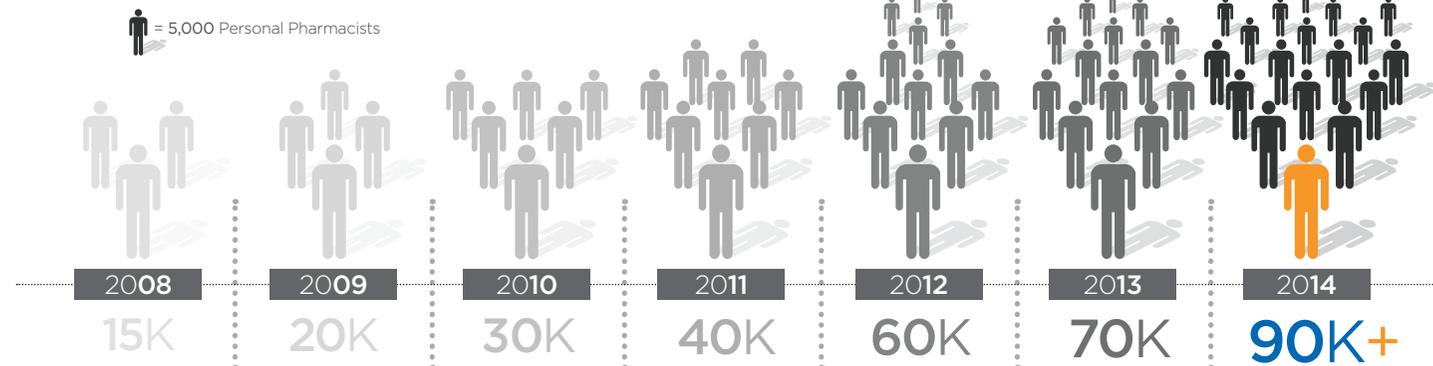
PERSONAL PHARMACISTS™ RESOLVED:

ONE

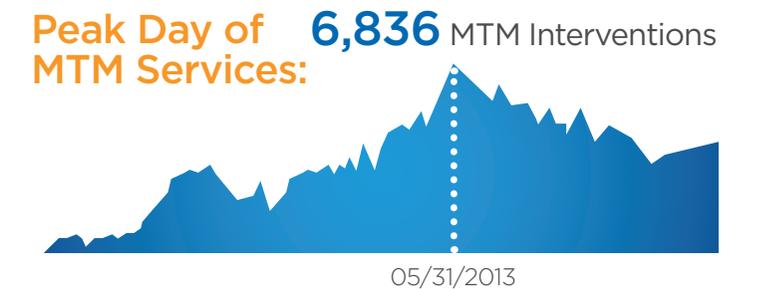
DRUG THERAPY PROBLEM EVERY MINUTE IN 2013

500K+ IN TOTAL

Personal Pharmacist™ Network



Provider Resources Help Desk Calls: Incoming phone calls from the Network received in 2013:
84,791



THE FACE-TO-FACE DIFFERENCE[®] IS THE CORNERSTONE OF OUTCOMESMTM.[™]

RELATIONSHIPS—BOTH WITHIN OUR ORGANIZATION AND OUTSIDE OF IT—ENABLE OUR EMPLOYEES,
NETWORK PHARMACISTS, CLIENT HEALTH PLANS AND THEIR MEMBERS TO THRIVE.



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