



Prescriptions for a  
Healthy America

*"A Partnership for Advancing Medication Adherence"*

January 26, 2016

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The Honorable Orrin Hatch  
Chairman  
Committee on Finance  
United States Senate

The Honorable Ron Wyden  
Ranking Member  
Committee on Finance  
United States Senate

The Honorable Johnny Isakson  
Senator  
Committee on Finance  
United States Senate

The Honorable Mark Warner  
Senator  
Committee on Finance  
United States Senate

**Submitted electronically to:** [chronic\\_care@finance.senate.gov](mailto:chronic_care@finance.senate.gov)

**RE: Comments on the Senate Committee on Finance Bipartisan Chronic Care Working Group Policy Options Document**

Dear Chairman Hatch, Ranking Member Wyden, Senator Isakson, and Senator Warner:

Prescriptions for a Healthy America (P4HA) appreciates the opportunity to provide feedback to the Senate Finance Chronic Care Working Group's Policy Options Document. P4HA strongly supports the Committee's formation of the bipartisan working group and its goal to develop thoughtful legislative solutions that aim to improve outcomes for Medicare beneficiaries living with multiple chronic health conditions. We look forward to continue working with you as the Committee continues to develop its policy goals.

P4HA ([www.adhereforhealth.org](http://www.adhereforhealth.org)) is a multi-stakeholder alliance representing patients, providers, pharmacies, and life science companies. We joined together to raise awareness on the growing challenges posed by medication nonadherence, as well as to advance public policy solutions that will help reduce health care costs and improve the lives of patients across the nation through medication adherence interventions.

We provided comments for the Chronic Care Working Group Request for Input in June 2015, specifically highlighting the importance of policies that encourage proper medication adherence for Medicare beneficiaries suffering with multiple chronic conditions. Because poor medication adherence, or non-adherence, limits effective management and control of chronic illnesses by increasing the likelihood of preventable disease progression, we would like to- again- stress the importance of including incentives and structures that support medication adherence strategies within any proposal you develop.

Our comments on the policy proposals are outlined below:



## **Study on Medication Synchronization**

P4HA is encouraged with the Committee's inclusion of a medication synchronization study within its policy options. As more than two-thirds of Medicare beneficiaries are burdened with multiple chronic conditions and require complex medication regimens, studying methods for reducing that complexity are important. We agree with the Committee that medication synchronization is one such intervention, which may significantly improve patient outcomes.

Any study on medication synchronization services should include both medication adherence and medication persistence over time, tracking beneficiary clinical outcomes and negative health events, and the impact of synchronization on total healthcare costs.

TO better inform Congress and the public about how beneficiaries are adhering to their medicines, P4HA recommends adding an annual report to Congress that measures the prevalence of adherence in federal programs. The goal would be to measure a baseline and determine, over time, improvements or challenges. The report should include annual data and statistics on prescribed medications, the rate of medication adherence, the rate of primary nonadherence, and the rate of medication persistence for patients with chronic diseases, including cardiovascular disease, hypertension, diabetes, autoimmune diseases, chronic obstructive pulmonary disease (COPD), and mental health conditions treated under federal health care programs. As a result, the Committee would be better able to determine whether or how medication adherence and management programs are impacting overall health outcomes and spending.

## **Additional Recommendations**

### **I. Enhanced MTM Demonstration Project for MA-PD Plans**

CMS recently announced an enhanced Medication Therapy Management (MTM) CMMI demonstration project for Medicare Part D Plans. P4HA is encouraged by the study's goals to test how providing additional incentives and flexibility around MTM can better target services to those beneficiaries in need, possibly improving medication adherence, optimizing therapeutic outcomes and reducing adverse health events as a result.

Under the demo only stand-alone Part D Plans (PDPs) are eligible to participate in the Enhanced MTM model test. P4HA recommends that the Senate Finance Committee legislatively expand the demonstration to include Medicare Advantage Prescription Drug (MA-PD) plans as well.

It is well known that MTM enrollment rates are low in both PDP and MA-PD plans. In fact, CMS stated that the current MTM program design does not adequately target those beneficiaries who may need medication management services the most. Because MA-PDs are already financially incentivized to reduce medical costs (i.e. they directly benefit from cost reductions in covered Parts A and B services), P4HA recommends that the performance-based payment- included as part of the model test- be omitted. And given the inherent differences between the two plan types, the policy should include a separate MA-PD evaluation from CMS to avoid inaccurate comparisons.

## **II. Realign Incentives for Medication Management Services under Part D**

Incentives for Part D plans to compete around MTM benefits are seriously misaligned. PDPs have few incentives to invest in medication management programs (i.e. MTM) versus their Medicare Advantage counterparts as improving medication use costs Part D plans resources, but savings (benefits) accrue to taxpayers and beneficiaries via reductions in Part A and B services and supplies. Further, these investments count as administrative costs in calculating the Medicare medical loss ratio (MLR).

P4HA believes the law should be changed to ensure that Part D plan investments in medication therapy management services are not counted towards plans' administrative costs under the Medical Loss Ratio (MLR) rules. MTM activities should be reclassified as "quality improving" under the MLR. CMMI is waiving the MLR rules to allow plans that participate in the MTM demo to count spending as a quality improvement activity. Thus, only plans who participate in the demo will benefit. Because the demo is limited geographically, and CMS believes waiving the rules is beneficial, we strongly encourage the Committee to legislatively provide this incentive to all part D plans in all regions regardless of participation in a CMMI demo.

P4HA believes this simple fix will signal to plans that medication management services are vital for improving outcomes and saving money within the Medicare program.

## **III. Link Medicare A/B and D Beneficiary Data**

P4HA is concerned that Part D plans are limited in their ability to target MTM services to beneficiaries because data held by CMS is not made available to plans, which could help them to more effectively target services. For example, PDPs cannot discern when their enrollees:

- Are admitted to an ER or institutional care provider based on a medication-related event;
- Undergo a transition in care from setting to another; and/or
- Incur significant total medical costs as a result of high healthcare utilization.

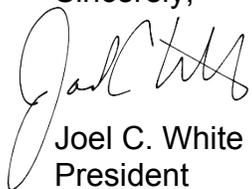
An initial step in overcoming these barriers is to increase plan visibility into Medicare Parts A and B data. These data should be provided to PDPs on a regular basis in a format that is readily accessible (i.e. flags that indicate when a beneficiary has recently experienced a hospital admission). Furthermore, this data linkage can provide additional coordination between prescribers and pharmacies and further enhance medication management program effectiveness.

## **Conclusion**

P4HA appreciates the opportunity to comment on the Finance Committee's Chronic Care Working Group Policy Options Document. The Partnership believes an integral part of any solution is the use of incentives to improve medication adherence for those Medicare patients suffering with chronic conditions. New care delivery and payment models should create a structural framework that rewards a broad range of healthcare providers (i.e. physicians, nurses, pharmacists) and health plans that improve outcomes and lower costs. We look forward to

working with you as the workgroup continues to refine policy recommendations that improve care for those with chronic illnesses in Medicare.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel White". The signature is fluid and cursive, with the first name "Joel" being larger and more prominent than the last name "White".

Joel C. White  
President  
Prescriptions for a Healthy America