

Opening Statement

Rep. Gene Green

Health Subcommittee Hearing: “Examining the Medicare Part D Medication Therapy Management Program”

October 21, 2015

Good morning and thank you all for being here today.

The costs of poor medication adherence include increased hospitalizations, doctor and emergency room visits, and preventable disease regression.

Studies have shown these add up to cost the health care system an estimated \$290 billion dollars each year.

When patients adhere to their medications, the data demonstrates that they are much more likely to have improved health outcomes and use fewer healthcare services, such as ER visits and re-hospitalizations.

This is particularly true for patients with one or multiple chronic conditions, as medications are involved in 80 percent of all treatments for chronic disease interventions.

Proper medication adherence leads improved health outcomes and better disease management, the avoidance dangerous and costly complications later on, and is advantageous to the Medicare program at large through decreased medical spending.

Recognizing the value of proper medication adherence, Congress created the Medication Therapy Management (MTM) program as part of the Medicare Modernization Act of 2003.

The MTM program was intended to better integrate medication management services in the Medicare Part D program.

Specifically, the goal of MTM is to ensure that covered Part D drugs are appropriately used to maximize their therapeutic benefits for Medicare beneficiaries enrolled in standalone Prescription Drug plans and Medicare Advantage Prescription Drug plans.

However, it is widely recognized that the Part D MTM program is not meeting its full potential and reforms are needed so that seniors can better access these important services.

Current statute and regulatory requirements for MTM require service offering based on fairly rigid criteria, which has led to miss-matched enrollment, and beneficiaries who would likely benefit from MTM programs have been missed.

MTM restrictions require that in order for a Medicare Part D beneficiary to be eligible for MTM, they must have “multiple chronic conditions,” be prescribed “multiple medications,” or meet an annual cost threshold for prescription drug spending.

These prescriptive criteria seem like an oversimplification of patients who may benefit from MTM services, and have been cited as a contributing factor to low MTM participation.

Another factor that may be contributing to low participation is that the program requires cooperation among several groups, some of which may have competing interests.

It is time to look for ways to more effectively target seniors who could greatly benefit from medication management services and realign incentives so that the benefits to patients and the health care system can be fully realized.

Last month, the Center for Medicare and Medicaid Services (CMS) announced a model to test strategies to improve medication adherence among beneficiaries who are enrolled in Part D plans by expanding and improving the use of MTM.

This model will be run out of the CMS' Center for Medicare and Medicaid Innovation (CMMI), which was created by the Affordable Care Act.

The Enhanced MTM model will assess whether providing certain standalone Medicare Prescription Drug Plans with additional flexibility and alternative payment methods increase enrollment and better achieve Congress' vision for MTM programs.

I recognize and appreciate CMS for the agency's efforts to improvement the program throughout its history, and for piloting the Enhanced MTM model.

However, demonstration projects are naturally limited in scope and we won't have full results until 2022.

Participation remains very low and according to CMS, more than 25 percent of enrollees could benefit from MTM services.

I look forward to working with my colleagues on appropriate legislative solutions to reform the Part D MTM program prior to the completion of the demonstration project.

Thank you and I yield the remainder of my time to my colleague from California, Doris Matsui.