Pharmacy Expert Shares Insights on New Reimbursement Programs for Medication Therapy Management Services

DUBLIN, Ohio, Nov. 6, 2015 /PRNewswire/ -- It's estimated that 1.5 million preventable, adverse medication mismanagement events occur each year that cost \$177 billion and result in injury and death, according to the American Pharmacists Association (APhA).

Photo - http://photos.prnewswire.com/prnh/20151106/284749

Pharmacists have taken a key role in helping combat this public health issue by providing medication therapy management (MTM), defined by APhA as "the medical care pharmacists provide to optimize drug therapy and improve therapeutic outcomes for patients." MTM has traditionally faced many reimbursement challenges, but new payer programs are taking steps to align financial incentives for providing MTM.

In a recent blog post on Cardinal Health's online thought leadership site, <u>Essential Insights</u>, Brad Tice, a nationally-recognized <u>expert</u> on MTM and pharmacy quality measures at Cardinal Health, says MTM reimbursement is still in its first "Act." He then details new programs designed to drive incentives for MTM service delivery:

- Act 1, scene 1: Sharing bonus payments CVS Health's SilverScript health plan is the first payer to essentially share some of its Center for Medicare and Medicaid Services (CMS) Star Ratings bonus payment with pharmacists who deliver MTM effectively to Medicare patients.
- Act 1, scene 2: Value-based pricing Express Scripts recently announced it has started to negotiate with pharmaceutical companies to price drugs based on a medicine's value to specific patient groups. Tice contends this is a positive development for pharmacies delivering MTM because paying for the performance of a therapy should align with the value that therapy delivers to each individual patients.
- Intermission: A tricky issue —The reimbursement issue is tricky largely because MTM's cost is recorded in the pharmacy while MTM's financial benefits are reaped elsewhere in the health system, says Tice. He goes on to outline the possibilities of what future MTM reimbursement models could look like.

In summary, Tice notes: "The take-away from these new developments is that payers – both government and private – recognize that reimbursement practices need to change, and MTM services are in the middle of that change."

To learn more about Tice's insights around paying for MTM, read his full <u>blog post</u> at Essential Insights.

About Cardinal Health

Headquartered in Dublin, Ohio, Cardinal Health, Inc. (NYSE: CAH) is a \$103 billion health care services company that improves the cost-effectiveness of health care. Cardinal Health helps pharmacies, hospitals, ambulatory surgery centers, clinical laboratories and physician offices focus on patient care while reducing costs, enhancing efficiency and improving quality. Cardinal Health is an essential link in the health care supply chain, providing pharmaceuticals and medical products and services to more than 100,000 locations each day and is also the industry-leading direct-to-home medical supplies distributor. The company is a leading manufacturer of medical and surgical products, including gloves, surgical apparel and fluid management products. In addition, the company operates the nation's largest network of radiopharmacies that dispense products to aid in the early diagnosis and treatment of disease. Ranked #26 on the Fortune 500, Cardinal Health employs nearly 35,000 people worldwide. More information about the company may be found at www.cardinalhealth.com and @CardinalHealth on Twitter.

SOURCE Cardinal Health

https://newsroom.cardinalhealth.com/2015-11-06-Pharmacy-Expert-Shares-Insights-on-New-Reimbursement-Programs-for-Medication-Therapy-Management-Services