



Medication Therapy Management: Reimbursement Models

Medication Therapy Management can be reimbursed directly by billing with Medicare codes. However, there are other revenue generating models to consider as well as models that focus on cost-avoidance. Here are some things to keep in mind as you think about what options best fit your pharmacy:

MTM Coverage

Medicare (Part D service): Patients with chronic conditions and high costs are eligible for an annual Comprehensive Medication Review (CMR) through Medicare.

Medicaid: All Louisiana Medicaid plans are required to provide MTM for eligible patients. Eligibility varies by plan, but most consider patients with multiple chronic conditions eligible.

Private payer: Many of the private insurance plans in Louisiana do provide some amount of MTM coverage for eligible patients.

Billing

Across all payers, many use platforms such as OutcomesMTM to refer eligible patients to pharmacists for their MTM services. Pharmacies that have enrolled with OutcomesMTM use the software to see lists of eligible patients that are awaiting completion of their annual CMR. Patients are referred to the pharmacies where they fill prescriptions, which can mean they appear on an eligible patient list at two pharmacies. When using the platform, the pharmacist is not directly billing Medicare for the services. Payers and PBMs may have completion rates that can result in money being recouped, which is important to keep in mind when considering financial impact.

Medicare: [There are 3 CPT codes that can be used to bill Medicare](#), for 30-minute and 15-minute visits. If you are able to identify patients that are not already being referred through an MTM platform, you can use these codes to bill directly to Medicare. You must be a Part D provider and have an NPI number. If you currently provide MTM services through an MTM platform, you must charge or bill for any other MTM services you provide or you could be at risk of Medicare fraud.

[Medicare billing information](#); [Medicare Standard Format guidelines](#)

Medicaid: Some Medicaid plans in Louisiana utilize the same MTM platform that most Medicare Part D payers use, OutcomesMTM. At least one plan contracts directly with pharmacies to provide MTM services, and provides direct reimbursement to these sites. Some MTM services are provided in-house. Pharmacies should contact the plan directly to learn more about reimbursement options.

[Well-Ahead can help with outreach](#).

This guide provides a summary of many resources related to MTM reimbursement models. Nothing in this guide should be construed as legal advice, especially related to billing and payment for services.



Private payers: Many private payers outsource their pharmacy coverage and the services are provided in-house by the vendor. Pharmacies should contact the payer directly to learn more about any reimbursement options at the local level.

Things to consider:

- Do you already participate in an MTM platform?
- What capacity do you have to expand these services?
- Are you interested in pursuing a contract with a state Medicaid plan?
- What is your payer mix, what payer covers the majority of patients that your pharmacy sees?

Cost-Avoidance

Research has shown that MTM services can improve outcomes, reduce readmissions, and provide cost-savings to a health system. [expand and find some citations]. Hospitals, for example, can be penalized for patient readmissions by CMS. Providing MTM services can reduce the rates of readmissions and result in cost-savings to the system as a whole. The cost-savings offset the cost of providing the services, and you may not need to consider billing. If your site does not intend to bill for MTM services, you have more flexibility for what your MTM program will look like. Documentation is still important, but you will not necessarily have to provide the same level of documentation that is required for Medicare billing.

Things to consider:

- Do you have leadership support for this type of initiative?
- What are some of the financial drivers in your health system that could be improved by MTM services? Consider readmissions, hospitalizations, outcomes for chronic conditions, medication compliance.
- What is your payer mix?
- Would you provide this as an inpatient service, outpatient service, or in partnership with a local provider?
- What is your capacity to provide MTM? Would this be a system-wide service, or a small subset of eligible patients? Balance your capacity with the scale needed to demonstrate cost-savings.

Employer-Based

Large employers that self-insure may be interested in partnering with a pharmacy to provide MTM services to their employees. Improving outcomes such as controlling blood pressure and glucose means healthier employees who will miss fewer days of work. Cost-savings to the overall health plan can be realized through MTM, including reduced hospitalizations and ER visits. [CITATIONS] You will need to demonstrate to the employer how they will benefit from providing this service to their employees. A contract would outline the terms of reimbursement and what services will be provided. [Well-Ahead can help with outreach](#) to employers and can facilitate the discussion.

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- Are there any large employers in your area that self-insure?
- Do you have relationships with any of these employers? Have you provided flu shots or other services to any employers?
- What is your capacity to provide MTM? Can you take on a contract with an employer? How many hours can you dedicate to this?

Health System Partnership

[The CMS Value-Based programs](#) reward providers for improved health outcomes and for cost-savings. Partnering with a pharmacist, and utilizing the tool of MTM services, can be a powerful method for providers to improve outcomes and move towards receiving incentive payments and avoiding penalties. [CITATION]. A pharmacy could contract directly with a health system or private practice to provide MTM services. A Business Agreement would outline patient eligibility and identification, what services will be provided, and reimbursement rates. [Well-Ahead can help with outreach](#) to providers and can facilitate the discussion.

Things to consider:

- Do you have a strong relationship with any providers in your area?
- What is your capacity to provide MTM? Can you take on a contract with a provider? How many hours can you dedicate to this?
- Is there a certain disease state you are interested in focusing on? Is there a value-based program to support that work?

Other Resources

- [ASHP Section of Ambulatory Care Practitioners. Pharmacist Billing for Ambulatory Pharmacy Patient Care Services in a Physician-Based Clinic and Other Non-Hospital-Based Environments – FAQ](#)
- [American Pharmacists Association: Billing for MTM Services and Tips for Pharmacists](#)
- [Pharmacy Purchasing & Products: Charging for Inpatient Medication Therapy Management](#)

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