

## **Medicare Part D Quality Measures**

### **Introduction**

Along with the formation of the Medicare Part D drug benefit, the Centers for Medicare and Medicaid Services (CMS) established a quality measurement program for Medicare Part D plans. Quality measures are developed by multiple stakeholders. Some quality measures are only used for reporting and quality improvement, while others are used in CMS's Star Rating System.

### **What Are Quality Measures?**

According to CMS, "Quality measures are tools that help CMS measure or quantify healthcare processes, outcomes, patient perceptions, and organizational structure and/or systems that are associated with the ability to provide high-quality health care and/or that relate to one or more quality goals for health care. These goals include: effective, safe, efficient, patient-centered, equitable, and timely care."<sup>1</sup> CMS uses these standardized quality measures, for specific healthcare plans, as a part of its quality improvement, public reporting, pay-for-reporting and pay-for-performance programs. Specifically, the CMS Part D Plan Ratings are intended to assist beneficiaries in enrollment decisions, serve as a basis for compliance and enforcement actions, and provide the basis for decisions regarding plan applications.<sup>1</sup>

### **Display and Performance Measures**

Medicare Part D quality measures can be divided into two categories: display measures and performance measures. Display measures are not included in plan ratings and are used to monitor plan performance for quality improvement. Some examples of display measures for Part D plans include:<sup>2</sup>

**Medication Therapy Management (MTM) Program Completion Rate for Comprehensive Medication Reviews (CMR):** the percentage of beneficiaries who met eligibility criteria for the MTM program and who received a CMR.

**Drug-Drug Interaction (DDI) Measure:** the percent of Medicare Part D beneficiaries who received a prescription for a target medication during the measurement period and who were dispensed a prescription for a medication with or subsequent to the initial prescription that might interact in a way that might lead to patient harm.

**Diabetes Medication Dosage Measure:** the percent of Medicare Part D beneficiaries who were dispensed a dose higher than the daily recommended dose for the following diabetes treatment therapeutic categories of oral hypoglycemics: biguanides, sulfonylureas, thiazolidinediones, and DiPeptidyl Peptidase (DPP)-IV inhibitors. Error! Bookmark not defined.

## Medicare Part D Medication-related Quality Measures

In contrast to display measures, performance measures are used to calculate Star Ratings for Medicare Part D plans and cover four broad domains:<sup>2</sup>

1. Drug Plan Customer Service
2. Member Complaints, Problems Getting Services, and Improvement in the Drug Plan's Performance
3. Member Experience with the Drug Plan
4. Patient Safety and Accuracy of Drug Pricing

Annually, CMS reviews the quality measures to be included for each plan year. There are currently seventeen Part D measures that span the four domains and of these four domains, the "Patient Safety and Accuracy of Drug Pricing" domain contains measures that address medication use by Medicare Part D plan beneficiaries.

*Who develops the medication-related quality measures?*

The Pharmacy Quality Alliance (PQA) was established in 2006 by CMS, America's Health Insurance Plans, and major pharmacy practitioner and trade groups. It is a multi-stakeholder, consensus-based organization that promotes the development of performance measures related to medication use. The PQA appoints workgroups consisting of various member organizations which identify areas for quality measures, test and refine these measures before they are endorsed by the PQA membership. Several PQA measures related to medication use have been endorsed by the National Quality Forum (NQF), a nonprofit, membership organization which endorses quality measures and sets the national strategy for health care quality measurement and reporting, and are currently used by CMS to evaluate Medicare Part D plans.<sup>3</sup>

The medication use-related measures developed by PQA are presented here, including a description of the measures.

**High Risk Medications in the Elderly:** The percentage of patients 65 years of age and older who received two or more prescription fills for medications covered by the Part D that may pose high risk for patients over age 65, as defined by the 2012 American Geriatric Society update of the Beers list, and for which safer choices are available.<sup>4</sup>

**Appropriate Treatment of Hypertension in Persons with Diabetes Treatment:** The percentage of patients who were dispensed a medication for diabetes and hypertension that are receiving an ACEI or ARB or direct renin inhibitor medication.<sup>4</sup>

**Medication Adherence to Oral Diabetes Medications:** The percentage of patients 18 years and older who met the Proportion of Days Covered (PDC) threshold of 80 percent during the measurement period for oral diabetes medications, including biguanides, sulfonylureas, thiazolidinediones, and dipeptidyl peptidase (DPP)-IV inhibitors.<sup>4</sup>

**Medication Adherence for Hypertension (RAS antagonists):** The percentage of patients 18 years and older who met the Proportion of Days Covered (PDC) threshold of 80 percent during the measurement period for renin angiotensin system (RAS) antagonists (i.e., ACE inhibitors and ARBs).<sup>4</sup>

**Medication Adherence for Cholesterol (Statins):** The percentage of patients 18 years and older who met the Proportion of Days Covered (PDC) threshold of 80 percent during the measurement period for HMG-CoA inhibitors (“statins”).<sup>4</sup>

Proportion of days covered (PDC) is a method of measurement that estimates medication adherence using administrative pharmacy claims data. PDC methodology is endorsed by both the PQA and the NQF. In addition to other non-medication use-related measures, these measures are used in CMS’s Star Ratings System, which includes bonus payments and certain penalties for respective high and low performing plans.

### **Quality Bonus Payments and Penalties**

Starting in 2012, CMS began a three-year demonstration project for Medicare Part D plans to receive a Star Rating (1-lowest to 5-highest) based on their performance on select quality measures. These Star Ratings are tied to bonus payments for Medicare Advantage Prescription Drug (MAPD) plans, with higher bonus payments being paid to plans with higher Star Ratings.<sup>5</sup> For certain of these measures for which results are well established, CMS assigns predetermined four star thresholds for Star Ratings, which may be based on a regulatory standards or the distribution of data among all the plans over time. In addition to bonus payments which go only to MAPD plans, high performing plans, both MAPDs and stand-alone Prescription Drug Plans (PDPs) are given special marketing allowances to promote their plan to Medicare enrollees throughout the year, and may include a “high performing icon” displayed next to the plan on the Medicare.gov online enrollment Plan Finder website that indicates the plan achieved a 5-star summary rating.<sup>6</sup>

Penalties for low performing plans range from the plan receiving a “low performing icon” on Medicare’s Plan Finder website, to limitations in plan expansion to new territories, to plan termination for those Part D Medicare Advantage and PDP plans that consistently score a Star Rating less than three stars for three consecutive years.<sup>7</sup>

### **Role of the Pharmacist and Measure Stewardship**

AMCP members have been actively involved with the Star Ratings quality improvement and measurement strategies for prescription drug plans (PDPs) under the Medicare Advantage and Medicare Part D programs. The Academy recognizes the essential role that pharmacists play as interdisciplinary partners in delivering health care and AMCP believes pharmacists are uniquely positioned to help patients optimize appropriate medication use, reduce medication-related problems, and improve health outcomes through the delivery of patient care services. A recent Congressional Budget Office (CBO) report,

*Offsetting the Effects of Prescription Drug Use on Medicare's Spending for Medical Services*<sup>8</sup> concludes that appropriate medication adherence under Medicare Part D lowers health care costs in other areas, and other research suggests the same impact in other populations.<sup>9</sup>

AMCP recommends that CMS evaluate the experiences of plans and PDPs under the Star Ratings program to select measures that improve quality and eliminate measures that do not improve quality. AMCP supports a measure selection and update process that provides the opportunity for health insurers and their provider networks to respond in a timely manner to changes in evidence-based guidelines. This includes changes that may result in updates to quality measures during the plan year or other period of time that would result in changes to metrics during that period and would impact the measurement process. AMCP additionally emphasizes the need to align measures across programs to promote consistency, economic efficiency, and quality across the health care system.

## **Conclusion**

The focus on quality for Medicare Part D plans will continue as new measures are developed and incorporated into display and performance measures. The effective monitoring and targeting of Part D plans for quality-focused interventions and plan design changes to improve quality measures will remain an important function for Medicare Part D plans. The Academy recognizes the essential role of pharmacists and plans in improving the quality of care provided to patients and supports a measure development process which allows for timely integration of evidence-based medicine and feedback from stakeholders.

*Approved by the AMCP Board of Directors, October 2014*

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<sup>1</sup> Centers for Medicare and Medicaid Services (CMS). Quality measures. Available at: <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityMeasures/index.html?redirect=/QUALITYMEASURES/> (Accessed on March 25, 2014)

<sup>2</sup> Centers for Medicare and Medicaid Services (CMS). Medicare 2014 Part C & D Display Measure Technical Notes. Available at: <http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/PerformanceData.html>. (Accessed on March 30, 2014).

<sup>3</sup> Pharmacy Quality Alliance. PQA strategic plan. Available at: <http://www.pqaalliance.org/images/uploads/files/Strategic%20Plan.pdf> (Accessed on March 21, 2014)

<sup>4</sup> Pharmacy Quality Alliance website. PQA Measures. Available at: <http://pqaalliance.org/measures/default.asp> (Accessed on May 9, 2014)

<sup>5</sup> Kaiser Family Foundation. Medicare advantage plan star ratings and bonus payments in 2012. Available at: <http://kaiserfamilyfoundation.files.wordpress.com/2013/01/8257.pdf>. (Accessed on March 20, 2014)

<sup>6</sup> Centers for Medicare and Medicaid Services (CMS). Medicare Health and Drug Plan Quality and Performance Ratings 2013 Part C and Part D Technical Notes (Draft Document). Available at: <http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/Downloads/Technical-Notes-2013-.pdf>. (Accessed on March 23, 2014)

<sup>7</sup> Centers for Medicare and Medicaid Services (CMS). Annual Call Letter to All Medicare Advantage Organizations, Prescription Drug Plan Sponsors, and Other Interested Parties. Available at: <http://www.cms.gov/Medicare/Health-Plans/MedicareAdvgtgSpecRateStats/Downloads/Announcement2015.pdf>. (Accessed on April 8, 2014)

<sup>8</sup> CBO. *Offsetting the Effects of Prescription Drug Use on Medicare's Spending for Medical Services*. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/43741-MedicalOffsets-11-29-12.pdf>. (Accessed on June 15, 2014)

<sup>9</sup> Roebuck MC, Liberman JN, Gemmill-Toyama M, et al. Medication adherence leads to lower health care use and costs despite increased drug spending. *Health Aff.* 2011; 30: 91-99.