A Report on Medication Adherence in Medicaid

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The Menges Group

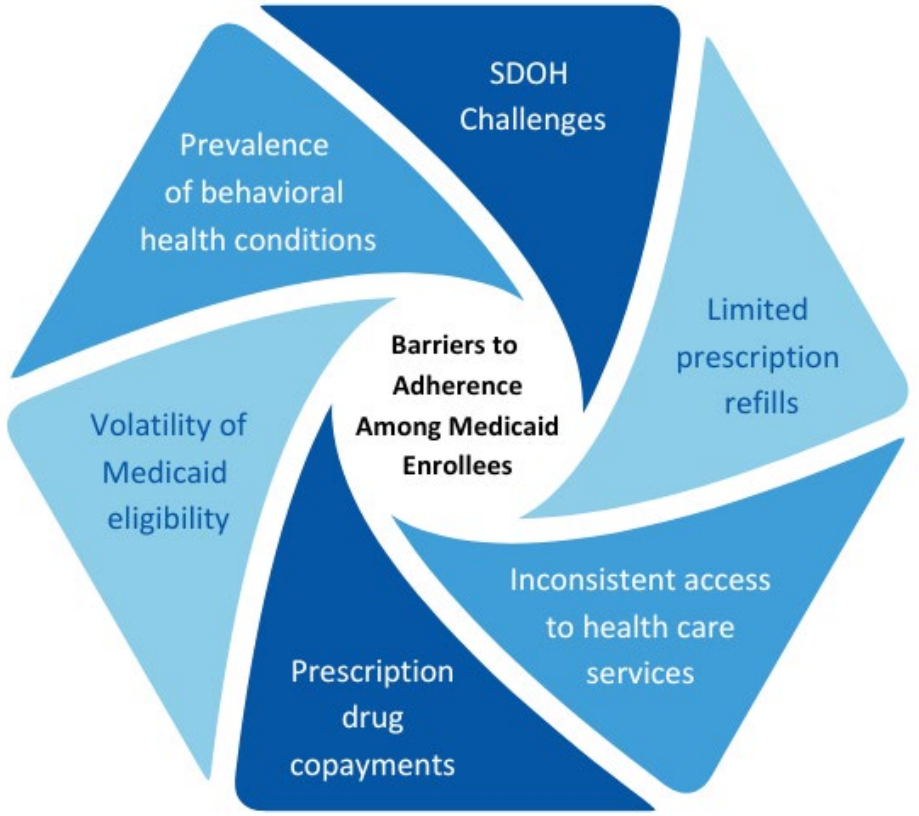
Strategic Health Policy & Care Coordination Consulting

Project Overview

- This report updates our 2014 report titled *Prescription Drug Adherence in Medicaid Managed Care,* which explored the challenges and opportunities that the Medicaid population faces in achieving optimal medication adherence. Our 2023 report provides updated medication adherence analyses, assesses the impacts of Medicaid expansion and the COVID-19 pandemic on medication adherence, and offers recommendations for further improvement to Medicaid medication access and adherence.
- The following slides summarize our key findings. We conclude by offering 12 system-wide recommendations for many different stakeholders – including policy recommendations for government agencies and personnel, and operational recommendations for managed care organizations (MCOs) and pharmacy benefit managers (PBMs).
- The full report is available on our website here

Many Americans have difficulty adhering to their prescribed medication regimens due to low health literacy, financial barriers, limited access to pharmacies, and other factors. Poor medication adherence leads to approximately 125,000 deaths annually and $300 billion in annual costs to the healthcare system in additional emergency room visits and hospitalizations.[1]

Achieving medication adherence in the Medicaid arena is particularly difficult due to several dynamics, many of which are conveyed in the graphic.



1- https://www.heart.org/en/health-topics/consumer-healthcare/medication-information/medication-adherence-taking-your-meds-as-directed

Introduction

- State Medicaid agencies, MCOs, pharmacies, pharmacists, drug manufacturers, physicians, and policymakers all share a motivation to facilitate access and adherence to prescribed medication regimens among Medicaid enrollees.
- Several broad developments across the past decade have profoundly affected Medicaid coverage and corresponding medication access.
  - Medicaid enrollment has increased sharply over the past decade, primarily due to the adoption of Medicaid expansion in most states and COVID-19's adverse economic impacts.
  - Medicaid's population growth has disproportionately occurred in the 19-64 age cohort. Relative to the 0-18 age cohort, this adult demographic group has much greater usage of maintenance medications that require sustained adherence.
  - The proportion of all Medicaid prescriptions paid by MCOs (rather than through Medicaid FFS coverage) has expanded substantially, from 43.7% in 2012 (and 22.4% in 2011) to 65.8% in 2022
  - An increase in the approval of specialty drugs which often require a stronger focus on adherence to maintain efficacy.

Medicaid Expansion Enrollees Accessed 57% More Prescriptions Per Person Than Non-Expansion Enrollees

Number of Prescriptions per Enrollee in CY2016 Among States that Adopted Expansion in 2014 (21 States plus DC)			
Population Group	**Total Prescriptions, 2016**	**Average Enrollees, 2016**	**Prescriptions Per Medicaid Enrollee Per Year**
Base Medicaid Population	240,207,066	27,051,939	8.88
Medicaid Expansion Enrollees	117,055,866	8,383,049	13.96
All Medicaid Enrollees	357,262,932	35,434,988	10.08

Among the states that adopted expansion in 2014, we estimate that the Medicaid expansion population accessed an average of 13.96 prescriptions per person in 2016, a usage rate that is 57% above the average of 8.88 per person for the base (non-expansion) Medicaid population.

Medicaid Expansion Significantly Increased Access to Maintenance Medications

We analyzed the prescribing patterns of five therapeutic classes of medications where consistent access and adherence are crucial to medication effectiveness.

These prescriptions jumped upwards across expansion states– ranging from a low of 63% for SSRIs to a high of 121% for statins.

Across non-expansion states, the change in Medicaid prescription volume ranged from an increase of 14% for beta blockers to an increase of 40% for insulin.

Therapeutic Class	States Newly Covering Medicaid Expansion Population Beginning in 2014 or 2015 (24 states + DC)			States Not Expanding Medicaid as of CY2019 (17 states)		
	Medicaid Rx, CY2013	Medicaid Rx, CY2019	% Change, 2013-2019	Medicaid Rx, CY2013	Medicaid Rx, CY2019	% Change, 2013-2019
Cardioselective Beta Blockers	3,286,094	5,749,049	75%	1,330,519	1,513,413	14%
Insulin	3,190,139	5,832,729	83%	1,478,703	2,065,551	40%
SSRIs	8,992,647	14,684,098	63%	4,235,753	5,316,072	26%
Statins	5,612,526	12,402,236	121%	2,329,381	3,164,485	36%
Thyroid Drugs	3,052,244	6,074,565	99%	1,343,238	1,776,397	32%
All Medicaid Prescriptions	**253,737,498**	**400,649,829**	**58%**	**135,563,004**	**165,465,081**	**22%**

These findings suggest that Medicaid expansion has been instrumental in increasing access to maintenance medications on a large scale.

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COVID-19 Led to a Concerning Reduction in Prescription Drug Access & Adherence

- Due to the economic hardships of the pandemic, yearly average Medicaid enrollment increased from 71.4 million people in 2019 to 83.8 million people in 2021 (an increase of 17.4%).
- However, the average number of prescriptions per Medicaid enrollee *decreased*, averaging 10.10 during 2019, 9.12 during 2020, and 8.72 during 2021 – an overall decrease of 13.7% from 2019 to 2021.

Prescriptions per Medicaid Enrollee by Year, 2019-2021				
Therapeutic Class	**CY2019**	**CY2020**	**CY2021**	**Percent Change, 2019-2021**
Cardioselective Beta Blockers	0.13	0.12	0.11	-18.5%
Insulin	0.14	0.13	0.12	-15.0%
SSRIs	0.35	0.34	0.33	-4.6%
Statins	0.29	0.27	0.25	-13.1%
Thyroid Drugs	0.14	0.13	0.12	-15.7%
All Medicaid Prescriptions	**10.10**	**9.12**	**8.72**	**-13.7%**

- It is possible that the drop-off in maintenance medication access and adherence among Medicaid-covered persons during the pandemic could have contributed to the increase in excess deaths the country has experienced (beyond those directly attributed to COVID-19 infection) during 2020 and 2021.

State Program Design Features Can Facilitate – or Inhibit - Medication Adherence

1. A key issue is the degree to which the State Medicaid agency creates an integrated system of coverage versus a set of siloed contracts. Integrated systems allow for:
   - Regular interaction of prescribers and pharmacies with the MCO
   - MCO control over the structure of their prescription drug data
   - Greater likelihood that MCOs will invest in outreach and adherence supports since they are responsible for the total cost of care
2. MCO contract requirements can elevate medication access and adherence, by:
   - Mandating that MCOs not carve-out certain services
   - Emphasizing access and adherence to preferred drugs
   - Monitoring instances of medication mismanagement
   - Planning to ensure the continuity of care for members in the event of an emergency

Examples of Medicaid MCO Efforts to Optimize Medication Adherence

- Analyzing pharmacy claims data to identify adherence gaps and assess the effectiveness of support services
  - Notifying the proper case management teams, specifically regarding gaps in maintenance and specialty medications
  - SDOH data can also help to inform a holistic understanding of members' needs
- Emphasizing medication therapy management programs, particularly for members with multiple chronic health issues, polypharmacy, or high medication cost
- Integrating value-based care into medication adherence, with provider influence

Medicaid MCO Efforts to Optimize Medication Adherence (continued)

- Offering member communication resources
  - Both generalized education and targeted outreach via newsletters, member call centers, text reminders, mobile apps, etc.
- Increasing use of mail service and 90-day supply for maintenance medications
  - Mail service is especially useful in pharmacy deserts and among members with a stable home address.
  - A 90-day supply reduces by a factor of three the opportunity for a missed refill to occur, relative to a 30-day supply.
- Eliminating out-of-pocket costs and providing adherence supports
  - Affordability is often a significant barrier, even with low Medicaid co-pays.
  - Medicaid MCOs should consider offering low-cost supports – such as pill boxes -- to members with one or more chronic conditions and higher-cost supports to members with a history of medication non-adherence.

The Medicaid MCO Industry Has Achieved Improved Quality Around Medication Adherence

- In the Medicaid managed care arena, quality measures are closely tracked by health plans and regulatory agencies.
- The Medicaid MCO industry has achieved improvement in each of the 15 medication adherence HEDIS measures when comparing the first available reporting year with the most recent available reporting year – a subset of these measures is included here.
- The average level of improvement across these measures was 5.04 percentage points including Measurement Year 2020 and 3.59 percentage points if the COVID-affected Measurement Year 2020 is not included.

Measure	Measure Acronym	Score in Initial Measurement Year	Score in Measurement Year 2019 (Prior to COVID)	Percentage Point Increase
Medication Management for People with Asthma: Medication Compliance 75% (Total)	MMA	28.8 (2012)	38.59	9.79
Persistence of Beta-Blocker Treatment After a Heart Attack	PBH	77.4 (2010)	80.37	2.97
Pharmacotherapy Management of COPD – Bronchodilator	PCE	82.1 (2010)	84.71	2.61
Pharmacotherapy Management of COPD - Systemic Corticosteroid	PCE	65.1 (2010)	71.05	5.95
Asthma Medication Ratio - Total	AMR	62.16 (2016)	62.43	0.27
Adherence to Antipsychotic Medications for Individuals with Schizophrenia	SAA	60.59 (2016)	62.06	1.47
Antidepressant Medication Management - Effective Continuation Phase Treatment	AMM	36.19 (2016)	38.18	1.99
Average Improvement Across All Above Measures				**3.59**

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We Offer Twelve Recommendations

This report's analyses and findings point to 12 recommendations that can improve the Medicaid population's health status through better adherence to medication regimens.

Our recommendations are grouped into three categories:

- Two system-wide recommendations that apply to many different stakeholders
- Two state policymaking recommendations
- Six operational recommendations for MCOs and PBMs

System-Wide Recommendations

- Make medication adherence improvements a stronger priority in Medicaid
- Study the impacts of the COVID-19 Medicaid prescription drop-off and close identified care gaps

State Policy Recommendations

- Adopt/preserve Medicaid expansion
- Make selected COVID-initiated policy changes that have been effective permanent, such as telehealth, longer days-supply of prescriptions, and Medicaid coverage continuity
- Leverage MCO contract requirements to elevate adherence
- Create a fully integrated system of care and coverage

Operational Recommendations

- Systematically identify and address missed refills
- Track adherence by race and ethnicity to support health equity objectives
- Extend days' supply for maintenance medications
- Incorporate adherence incentives into Medicaid VBP programs
- Utilize value-added benefits to facilitate medication adherence
- Remove co-payments for prescription medications