Medicare Part D: Helping Seniors in the Donut Hole

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Disclosures
I have no financial or personal relationships with commercial entities that may have a direct or indirect interest in the subject matter of this presentation.

Objectives
• Become familiar with Medicare Part D history and terminology
• Recognize the challenges Medicare Part D patients encounter
• Discuss potential solutions to the complexities of Medicare Part D
• Describe HRSA and HRSA resources
• Apply knowledge to patient cases

Understanding Medicare

ABCs of Medicare
• Medicare
  – Part A – covers hospitalization services
    • No monthly premium
    • Administered by the federal government
  – Part B – covers outpatient services, DME, etc
    • Monthly premium
    • Administered by the federal government

ABCs of Medicare
• Medicare
  – Part C – Medicare Managed Care plans or Medicare Advantage
    • +/- Monthly premium
    • Administered by private HMOs and PPOs
  – Part D – prescription coverage
    • Monthly premium
    • Administered by private insurance companies
Insurance Terminology

- **Premium**
  - Payment for insurance, typically monthly

- **Deductible**
  - Initial amount a patient must pay before costs are covered by the insurance company

- **Co-Pay**
  - Amount the patient pays for medications after the deductible is met

History of Medicare Part D

- **Social Security Act of 1965**
  - Medicare

- **Medicare Modernization Act of 2003**
  - Prescription benefits

  • Began January 2006

Medicare Part D

**Eligibility**

1. > 65 years old

2. Disabled with social security benefits
   - Must wait 2 years unless they have a qualifying disease or Medicaid

3. Kidney failure (dialysis or transplant)

**Enrollment**

- **Initial**
  - 7 month window

- **Annual**
  - November 15-December 31
  - Switch plans

- **Late enrollment**
  - Penalty – 1% of average premium per month
  - Exception – “credible coverage” or low-income

Stages of Part D Plans

- **Co-Pay**
  - Must meet a deductible ($310)

- **Coverage**
  - Initial coverage limit ($2,830)
  - Patient pays 100%

- **Catastrophic**
  - Out-of Pocket Threshold ($4,550)

**Standard Medicare Prescription Drug Benefit, 2010**

- Enrollee pays 5%
- Plan pays 15%; Medicare pays 80%

- $6,440 in Total Drug Costs ($4,550 out of pocket)

- $3,610 Coverage Gap ("Doughnut Hole")

- $2,830 in Total Drug Costs ($1,840 out of pocket)

- $310 Deductible

Source: Kaiser Family Foundation Illustration of standard Medicare drug benefit for 2010 (standard benefit parameters: no generics from Sevcenter for Medicare & Medicaid Services)
Healthcare Reform

• 2010
  – One time, tax-free, $250 refund
  – Can expect 45 days after entering coverage gap

• 2011
  – 50% discount on brand-name medications
  – Deductible, Out-of-Pocket cut off = unchanged
  – Initial coverage limit = increased to $2,840

• 2020
  – No Donut Hole?

Medication Coverage

• Must offer ≥ 2 or meds from each therapeutic class

• 6 classes in which all drugs must be covered:
  1. Antineoplastics
  2. HIV/AIDS medications
  3. Immunosuppressants
  4. Antipsychotics
  5. Antidepressants
  6. Anticonvulsants

Medication Exceptions

• NOT required to be covered under Part D plans:
  • Barbiturates
  • Benzodiazepines
  • Anorexia, weight loss, or weight gain products (except when used for AIDS wasting/cachexia)
  • Fertility products
  • Hair growth products
  • Cough/cold products
  • Prescription vitamins/minerals (except for prenatal)
  • Nonprescription drugs
  • Any drug covered by Medicare Part A or B

Medication Exceptions

• Part B covers:
  – Antigens
  – Injectable osteoporosis medications
  – Epoetin alfa for renal patients
  – Clotting factors
  – Immunosuppressive drugs for organ transplants
  – Chemotherapy
  – Vaccinations (except Zostavax)
  – Parenteral Nutrition
  – Insulin for pumps
  – Nebulized medications
  – Infusion medications
  – Diabetes supplies (glucometers, test strips, lancets)

Challenges for Medicare Part D Patients

• 10% choose the plan that saves them the most money

• 26% fall into the donut hole

• Patients in the donut hole typically have >5 chronic disease states (diabetes, dyslipidemia, and cardiac disease)
Financial

- Cost-related nonadherence (CRN) increases
- 32% underutilize medications due to cost
- 9-21% neglect basic needs to afford medications
- Inability to afford medications = increased risk of ED visits and hospitalizations

Polypharmacy

- Definition:
  - Use of multiple medications
  - Duplications in therapy
  - Unnecessary medications
- Medication use in the Medicare population:
  - >40% use ≥ 5 meds
  - >12% use ≥ 10 meds

Adverse Drug Events

- Increase with . . .
  - Polypharmacy
  - Chronic Disease States
  - Decreased renal/hepatic clearance
- 30% of hospitalizations are due to ADEs
- Over 27% of ADEs identified are considered preventable

Health Literacy

- Definition
  - "The degree to which individuals have the capacity to obtain, process, and understand basic health information and services needed to make appropriate health decisions"
- Health Status Relationship
  - "stronger predictor of a person's health than age, income, employment status, education level, and race"

Health Literacy

- Vulnerable Populations
  - Elderly (age 65+)
  - Minority populations
  - Immigrant populations
  - Low income
  - People with chronic mental/physical health conditions

Solutions for Medicare Part D Patients
Help with Medications

1. Low Income Subsidy (LIS)
2. State Pharmaceutical Assistance Programs (SPAPs)
3. Patient Assistance Programs (PAPs)
4. Drug Discount Cards
5. Generics/Cheaper Alternatives

Low Income Subsidy

• aka Extra Help
• Financial assistance with Medicare Part D costs

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<th>Resources ($)</th>
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<td>Single</td>
<td>1,353.75</td>
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• Eligibility
• Monthly Income: $1,821.25 for Married, $1,353.75 for Single
• Resources: $25,010 for Married, $12,510 for Single

Low Income Subsidy

• Resources include:
  – bank accounts, stocks, bonds
• Resources do not include:
  – home, car, life insurance policies*, help with living expenses*
• Higher incomes may be still be eligible

Low Income Subsidy

• Provides financial help with Medicare Part D premiums, deductibles, and co-pays
• No donut hole
• Eliminates late enrollment penalty
• Patient can change Medicare Part D plan

Low Income Subsidy

• Apply anytime!
  – www.socialsecurity.gov/extrahelp
  – Call Social Security at 1-800-772-1213
  – Visit the local Social Security office

State Pharmaceutical Assistance Programs

• North Carolina HIV SPAP
  – HIV and <300% FPL
  – www.epi.state.nc.us/epi/hiv/adap.html
• North Carolina NCRx
  – Medicare and >65 years old
  – www.ncrx.gov

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Patient Assistance Programs

- Administered by pharmaceutical companies
- Provide free medications
- Consider:
  - Pharmaceutical company
  - Medication
  - Patient’s income

Other Assistance Programs

- Not administered through pharmaceutical companies
- Offer discounts on generic and brand medications
- Income is considered

Drug Discount Cards

- Needy Meds
- Rx Assist
- Xubex
- NCDrugCard.com
- Buncombe County
  - Pick up from any County Dept

Generic/Cheaper Alternatives

- Have they tried a cheaper alternative?
- Is it on the discount list (aka $4 list)?
- Do they need the medication?

Patient Assistance Programs

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Help Navigating Resources

1. Council on Aging (COA)
2. Seniors Health Insurance Information Program (SHIIP)
3. Medication Assistance Programs (MAP)
4. 211
5. YOU!

Council on Aging

- Local organization
- Provide:
  - Resource coordination
  - Need, risk, and safety assessments
  - Home visits
  - Medicare assistance (A,B,D, LIS)
  - Senior dining and activities
  - Tax aide
  - Transportation
- www.coabc.org
- Senior Directory Link

SHIIP

- Subdivision of the Council on Aging
- Provide assistance with all things Medicare
  - Picking out a Part D plan
- www.ncshiip.com
- Link to resources and information

Medication Assistance Programs

- Assist patients with PAPs and resource coordination
- ABCCM
  - Buncombe County Residents
  - Provide Medications
  - Contact: (828) 259-5339
- Mission Hospital MAP
  - Provide medications, education, and disease management
  - <200% FPL
  - Contact: (828) 213-5549

Medication Assistance Programs

- Cherokee County Health Department
  - Murphy Office: (828) 837-7486
  - Andrews Office: (828) 321-4167
  - Cherokee County Residents Only
- Clay Comprehensive Health Services, Inc. (CHATUGE)
  - Hayesville, NC
  - (828) 389-6383

211

- Sponsored by United Way
- Community service information line
- www.211.org
- Local 211
  - www.211wnc.org
  - Serves Buncombe, Madison, Henderson, and Transylvania
You!

- Medication Reviews
  - Generics and cheaper alternatives
  - Unnecessary or duplicate therapies
  - Therapeutic interventions

- CheckMeds
  - Provide MTM services
  - Bill for services at www.getoutcomes.com

You!

- Choosing a Part D plan
  - www.medicare.gov/find-a-plan/

- Provide education
  - Medicare Part D plans
  - Medications
  - Disease States

- Referrals
  - Local organizations (COA, SHIIP, MAP, 211)

An Example: Improving Care for Medicare Part D Patients

Helping Patients in the Donut Hole

- Mission Medication Assistance Program
  - Expand services offered to Medicare patients

- Provide:
  - Medication Access
  - Education
  - Resource Coordination
  - Medication Reviews

Local Collaborative

- Identification of collaborating ambulatory care sites
  1. Mission Medication Assistance Program
  2. MAHEC Family Health Center
  3. Council on Aging of Buncombe County
  4. Mission Pharmacotherapy Services
  5. Mission Elder Clinic

National Collaboration

- Department of Health and Human Services
- Health Resources and Services Administration
- Patient Safety and Clinical Pharmacy Services Collaborative
PSPC Collaborative

• **Purpose**
  – “breakthrough effort to improve the quality of health care across America by integrating evidence-based clinical pharmacy services into the care and management of high-risk, high-cost, complex patients”
  – “patient-centered, inter-professional team approach”

• **Goals**
  – Achieve optimal health outcomes
  – Eliminate adverse drug events
  – Increase clinical pharmacy services

PSPC Collaborative

• **Clinical pharmacy services:**
  – Medication access services to patients
  – Patient counseling/drug information
  – Preventive care
  – Medication reconciliation
  – Provider consultation/education

• **Support**
  – Learning Sessions
  – Team Coach
  – Monthly Phone Conferences
  – Monthly Senior Leadership Reports
  – Free Patient Education Materials

http://pssc.aphanet.org/fdaform.htm

Outcomes

• Adverse Drug Events (ADEs)
• Potential Adverse Drug Events (pADEs)
  - Improvements in Diabetes, Hypertension, and Hyperlipidemia

Results

<table>
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<tr>
<th>Event</th>
<th>% visits</th>
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<tbody>
<tr>
<td>ADEs</td>
<td>40%</td>
</tr>
<tr>
<td>pADEs</td>
<td>60%</td>
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n=58 visits

Modified chart from Selinger 2010.
Results

<table>
<thead>
<tr>
<th>Common Causes of ADE/pADEs</th>
<th>% visits</th>
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</thead>
<tbody>
<tr>
<td>Medication access</td>
<td>93%</td>
</tr>
<tr>
<td>Patient took differently than prescribed</td>
<td>88%</td>
</tr>
<tr>
<td>Multiple pharmacy use</td>
<td>45%</td>
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<tr>
<td>Beers List medications</td>
<td>29%</td>
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</table>

n=58 visits

Results: Diabetes Goals

<table>
<thead>
<tr>
<th></th>
<th>Coverage Gap</th>
<th>Coverage Gap</th>
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<tbody>
<tr>
<td>A1c&lt;7%</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>ASA</td>
<td>100%</td>
<td>80%</td>
</tr>
<tr>
<td>Statin</td>
<td>100%</td>
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n=15

Results: Cardiovascular Goals

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<tr>
<th></th>
<th>Coverage Gap</th>
<th>Resumed Coverage</th>
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<tbody>
<tr>
<td>Lipids</td>
<td>18%</td>
<td>50%</td>
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<tr>
<td>BP</td>
<td>32%</td>
<td>38%</td>
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n=18
n=22

Eligible for Part D
26% reach coverage gap
Served through Mission MAP

References

Questions

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