

PRESS RELEASE

The Medicare donut hole: Now you're covered, now you're not

New study identifies medical conditions which put seniors at high risk of unsubsidized medical prescription expenses

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If you're older, a woman, and suffering from either dementia or diabetes, you are the most likely to be exposed to unsubsidized medication costs in the US. This is known as the coverage gap for enrollees of Medicare Part D – the US federal program which subsidizes the cost of prescription drugs for Medicare beneficiaries. According to Dr. Susan Ettner from UCLA in the US, and her colleagues, these clinically vulnerable groups should be counseled on how to best manage costs through either drug substitution or discontinuation of specific, non-essential medications. This is important so that more essential medication is not discontinued with adverse effects on patients' health, for cost reasons only. Their findings¹ have just appeared online in the *Journal of General Internal Medicine*², published by Springer.

In 2006, 3.4 million seniors signed up to a Part D plan which provides voluntary drug coverage to all Medicare beneficiaries. The plan was expected to improve adherence to drug regimens and health outcomes, via improved financial access to medications. However, the standard Part D benefit includes a coverage gap (or donut hole). After a Medicare beneficiary surpasses the prescription drug coverage limit, he or she becomes financially responsible for the entire cost of prescription drugs until the expense reaches another threshold – the catastrophic coverage threshold.

Dr. Ettner and team investigated which beneficiaries were more likely to fall into the gap, and in particular which medical conditions put them at high risk of gap entry as well as the medications contributing most to pre-gap spending. The researchers looked at records from over 287,000 Medicare beneficiaries across eight states.

They found that 16 percent of enrollees entered the gap, with nearly 3 percent entering the gap very early on, i.e. within the first 180 days. Of those who entered the gap, only 7 percent exited again. Women and patients with dementia and diabetes were the most likely to enter the gap. Other conditions also predisposed beneficiaries to gap entry, including end-stage renal disease, coronary artery disease, chronic obstructive pulmonary disease, mental health conditions, and congestive heart failure.

As an example, an average 67-year-old woman with diabetes and a typical set of comorbidities – hypertension, hyperlipidemia, coronary artery disease and depression – would have a 54 percent chance of falling into the Medicare Part D coverage gap and being exposed to the full cost of her medication. If she fell into the gap, she would have an 11 percent chance of exiting again, but in the meantime, she would have incurred more than \$3,600 in total out-of-pocket drug expenses.

The authors conclude: "Our findings suggest that medication cost-counseling interventions focusing on these clinically vulnerable subpopulations may be warranted. Physician-patient discussions about the expense and undesirable side effects of particular medications are one approach to managing outpatient drug therapy and controlling costs."

References

1. Ettner S, Mangione CM et al (2010). Entering and exiting the Medicare Part D coverage gap: role of comorbidities and demographics. *Journal of General Internal Medicine*. DOI 10.1007/s11606-010-1300-6
2. The *Journal of General Internal Medicine* is the official journal of the Society of General Internal Medicine.

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