

Description of Medication Strategies Utilized by Medicare Beneficiaries when Reaching a Direct Pay Medication Gap.

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Abstract

On January 1, 2006, Medicare began offering the Medicare Part D prescription drug benefit. Each health maintenance organization (HMO) that decided to participate in Part D designed plans specific for their beneficiaries. The Medicare *Direct Pay* plans are designed with a coverage cap that begins once a beneficiary accumulates a set amount (i.e., a benefit *cap*) of total drug costs. Prior to reaching the cap, the beneficiary pays a co-pay or co-insurance; however, once the beneficiary reaches the cap, they are required to pay 100% of his/her drug costs out of pocket until another threshold is reached (i.e., *catastrophic coverage*). Results from studies examining how drug cap levels affect prescription medication use have shown that beneficiaries who exceed drug caps and are within a coverage gap (*doughnut hole*) may be at risk for decreasing their use of medication. However, these studies were completed prior to the implementation of Part D, and currently there is limited information regarding the number of Medicare members expected to reach the Part D coverage cap, strategies used by patients to navigate the gap, and the characteristics of patients who hit the cap.

Approximately 60,000 Medicare members are enrolled in the Kaiser Permanente Colorado Region (KPCO). KPCO enrolls members into Medicare Part D through two different avenues. Members may be enrolled in Part D through their employer group. Employer groups pay for the prescription benefit for their retirees, and this group is referred to as *Group Medicare*. Group Medicare members do not have a drug coverage cap. Alternatively, members enrolled into Kaiser Permanente Medicare Advantage plans (*Silver* and *Gold* plans) are automatically enrolled into Part D. These members are labeled *Direct Pay* and do have a drug cap and coverage gap. The purpose of this study is to assess the mechanisms by which KPCO Silver Plan members who have hit the coverage cap cope with their prescription drug regimens and contrast this information against Group Medicare members who do not have a coverage cap.

This study will utilize a retrospective review of medical and pharmacy integrated records and cross-sectional survey to compare patient characteristics and reported medication strategies between comparable patient groups who did and did not reach/have a Part D drug cap. Administrative pharmacy database records will be accessed to identify: 1) Silver Plan members who reached their drug benefit cap by October 1, 2006 and 2) Group Medicare members whose drug expenditures reached the Silver Plan cap by October 1, 2006. From this list, 1,000 patients will be randomly selected from each group to receive a survey by mail. The survey will ask questions regarding demographics (including socioeconomic), health perception, and strategies utilized to decrease medication costs. Each survey also will include a unique identifier that will allow for the linking of survey results with patient demographic and health status characteristics. A global drug *medication strategy* measure (including responses to use less of a medication, stop taking a medication, or do not fill a prescription) will be constructed and assessed for differences in the proportions between the groups. Appropriate statistical tests will be used to compare baseline characteristics and study outcomes.

The results from this study will provide information from Medicare members regarding strategies utilized to navigate the coverage gap. Information obtained may assist healthcare organization administrators in the design of future Part D benefit packages. The results may also assist health care providers when they evaluate drug therapy decisions (e.g., consideration of the use of generic and/or other lower cost alternatives) for high drug utilization Medicare members.