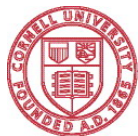


# MEDICARE PART D RESEARCH FACTS

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Cornell University  
College of Human Ecology  
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## CUR<sub>x</sub>ED

Cornell University Resource Education  
for Medicare Part D

### PART D FACT

Of those beneficiaries with prescription drug coverage, about 59% are being covered under Part D in 2009. This has increased from 53% in 2006.

## DUAL RESULTS

Before 2006, dual eligible individuals had drug coverage through Medicaid, and in most states the Medicaid formulary is less restrictive than it is under the Part D plans. Part D has shifted the burden of drug coverage away from Medicaid and on to Medicare. Initially, policy experts expressed concern about shifting coverage and surveys of duals indicated much confusion with Part D formularies.

Because of random auto assignment, the relative complexity of the enrollment process, and inconsistencies in drug coverage across systems, there has been uncertainty as to how duals would fare under Part D. Adding to their burden, duals tend to have lower incomes, less education, and a greater need for medications.

Dispensing data from a drug store chain was used by researchers to evaluate medication use and expenditures of duals during the transition to Part D. Five groups of important medications were studied, including benzodiazepines, medications not covered under Part D, but potentially covered under Medicaid.

Implementation of Part D stimulated less medication switching than had been feared. This study found no significant effect on the utilization of the medications studied. Among the duals, there was a reduction in the co-payments for all of the medications except for benzodiazepines. Out-of-pocket costs on benzodiazepines for dual eligible patients increased by 91% annually.

Claims data such as this might overlook important aspects of prescribing. Because a claims-based analysis includes only prescriptions filled, it does not account for prescriptions written but never filled, and omits consideration for decisions that are made during the prescribing process. For example, plans attempt to limit expenditures, in part, by shifting physician prescribing habits.

Surveys offer an alternative perspective to claims data. Physicians from four states, when surveyed about Medicare Part D in early 2007, expressed overall positive views about the program. However, 64% indicated that Part D formularies did not meet patient needs.

For duals, physicians who were surveyed reported lower patient satisfaction, diminished access to medications, less compliance, more difficulty in prescribing their preferred drugs, and higher administrative burden under Part D than under Medicaid. Multiple, competing formularies, rather than one statewide formulary as under Medicaid, may be the largest contributing factor to this discontent.

Some evidence suggests that there may have been less disruption in therapy under Part D than originally anticipated. This might be offset, though, by complicating the prescription decision making process for physicians.



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