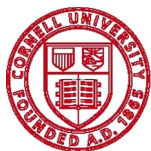


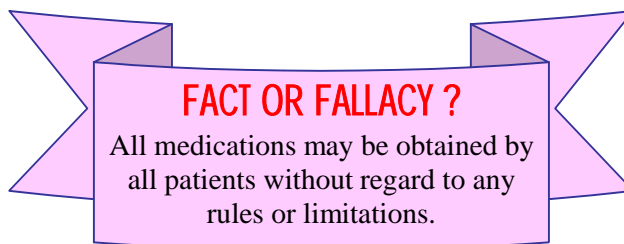
# MEDICARE PART D RESEARCH FACTS

Volume 1 Number 5



## CUR<sub>x</sub>ED

**Cornell University Resource Education  
for Medicare Part D  
COLLEGE OF HUMAN ECOLOGY**



### WHO'S IN CONTROL?

Various utilization management tools are used by Medicare Part D insurance companies to not only ensure appropriate clinical use of medications but also to control expenditures. Applied in various contexts, utilization controls are most commonly identified as quantity limits, step therapy, and prior authorization. These limitations vary considerably across the plans.

Plans may limit the amount of drug you may receive over a certain period of time based on therapeutic considerations as well as cost concerns. This limitation is often applied to the amount of medication that can be dispensed at one time, in most cases usually either a 30 day or 90 day supply. It may apply to certain medications which are usually prescribed for a defined period of time to treat a specific condition. An example of this would be a 10 day supply of antibiotics to treat an infection.

Quantity limits may also be applied for reasons of therapeutic safety. For example, many benefit plans limit the quantity of migraine medicine you can receive over a one-month period. Any amount of medication prescribed for more than the quantity limit would not be covered by your benefit plan.

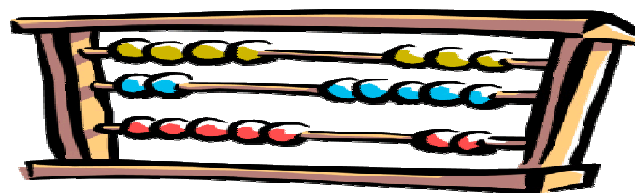
Step therapy is a requirement that you first try certain medications to treat your medical condition before the plan will cover another drug for that condition. If treatment with that first medication proves to be ineffective or intolerable, then the plan will allow

coverage of the second drug. Considerations for step therapy may involve rational clinical considerations but often are based on negotiated prices of drugs within the same class that are used for identical indications.

Prior authorization is approval which must be obtained from an insurance provider before costs for a particular prescription are covered. In many instances, your health care provider must first contact the plan and show there is a medically necessary reason for using a drug for it to be covered. Without prior approval, prescription costs may not be covered by the plan.

Insurance plans may also utilize other strategies to control costs and improve therapy. These may be encountered under such headings as age limits, gender limits, therapy limits, preferred drug, or cost sharing.

Should a beneficiary find that the rules being applied through utilization management do not apply to his personal medical situation, he may request an exception through an appeals process.



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