POLICY & PRACTICE

Arthritis Spending Reaches $32B

Nearly 10% of adults in the United States sought treatment for arthritis in 2005, according to figures from the Agency for Healthcare Research and Quality. More women than men reported experiencing arthritis—12% versus 7%. The disease was also more common among non-Hispanic white adults (11%) and black non-Hispanic adults (10%), compared with Hispanics (6%) and non-Hispanic Asian adults (4%). The cost of treating arthritis was $32 billion in 2005, with most of the dollars being spent in ambulatory care (36%). About 31% was spent on inpatient care and 21% was spent on prescriptions. Home health costs made up 12% of the costs and less than 1% was spent on visits to the emergency room.

Prior Authorization for DMARDs

Most state Medicaid programs require prior authorization for at least one biologic disease-modifying antirheumatic drug (DMARD), according to an analysis published in the November issue of Arthritis Care & Research. In 2006, 32 states had implemented or were planning to implement policies for prior authorization, but the drugs included and the specific criteria varied widely. For example, 20 states asked for detailed clinical criteria such as the number of swollen or painful joints, rheumatoid factor levels, and radiologic findings. Six states required that a rheumatologist prescribe the biologic DMARD and two states required that a purified protein derivative be checked before starting treatment. After a later further analysis of the utilization of adalimumab and etanercept, the researchers found that prior authorization seems to control growth in utilization at first but utilization appears to rise again over time.

Pfizer Settles Bextra Claims

Pfizer Inc. has struck a multimillion-dollar agreement to resolve most of the pending claims involving its drug Bextra (valdecoxib), which was withdrawn from the market in 2005. The company agreed to pay $60 million to attorneys general in 33 states as well as in the District of Columbia and also to adopt certain compliance practices in response to suits alleging that the company violated state laws in its promotion and marketing of Bextra. Pfizer also annnounced that it was setting aside $745 million in anticipation of a final settlement of pending personal injury claims involving the company's other cyclooxygenase-2 inhibitor, Celebrex (celecoxib). That amount should resolve more than 90% of the suits alleging that Celebrex caused heart attack, stroke, or other injury in those who took the drug. Several courts have ruled that the plaintiffs had failed to prove that the drug led to these effects. Pfizer settled to remove the cloud over the drug, the pharmaceutical company said in a statement.

Lupus Foundation Awards $1.1 Million

The Lupus Foundation of America spent more than $1.1 million in 2008 to fund research grants and fellowships. The grants will support research in pediatric and adolescent lupus, lupus in men, the use of adult stem cells in lupus, and mid- to late-stage translational studies. Other areas of research funded this year include studies of cutaneous lupus, kidney disease and lupus, and the cognitive effects of lupus. But the grants awarded were far short of the requests received by the organization, according to the Lupus Foundation. The organization received more than 77 grant applications totaling about $7.8 billion in requests for lupus research funding.

HIPAA Enforcement 'Limited'

The Centers for Medicare and Medicaid Services has not provided effective oversight and has taken only "limited actions" to ensure that covered entities adequately implement patient privacy regulations contained in the Health Insurance Portability and Accountability Act of 1996, according to a report from the Health and Human Services Department's Office of Inspector General. The OIG found that the CMS had not conducted any compliance reviews of covered entities, and instead relied on complaints to target investigations. However, the CMS has received very few complaints about violations, the report said. "As a result, the CMS had no effective mechanism to ensure that covered entities were complying with the HIPAA security rule" or that electronic health information was being adequately protected, the report concluded. CMS has taken steps to begin conducting compliance reviews in an effort to identify security problems and vulnerabilities under HIPAA, the OIG said.

Mass. Blues Require E-Prescribing

Blue Cross Blue Shield of Massachusetts said it will require all physicians to prescribe electronically beginning in 2011 in order to qualify for any of the health plan's physician incentive programs. Currently, 99% of primary care physicians and 78% of specialists participate in the insurer's incentive programs, which reward physicians for meeting nationally recognized quality standards and patient safety goals. Currently, e-prescribing is an optional measure in the plan's incentive programs. The insurer said it realized that start-up costs involved with implementing an e-prescribing system continue to be a barrier to adoption for physicians, and said it would provide some financial assistance for doctors in 2009 to offset those start-up costs. A 2006 study by the plan showed that physicians who used an e-prescribing device were able to choose more cost-efficient drugs, and therefore saved 5% on their drug costs relative to physicians who did not use the technology.

—Mary Ellen Schneider