Patients Need Help on Out-of-Pocket Expenses

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WASHINGTON — The full cost of drugs obtained through patient-assistance programs should be counted as out-of-pocket expenses under the new Medicare Part D prescription drug benefit, according to council members at a meeting of the Practicing Physicians Advisory Council.

The Centers for Medicare and Medicaid Services (CMS) should work with the Health and Human Services Department's Office of Inspector General to give final guidance on this issue, the panel stated.

Under the coming Part D benefit, until the patient has met his or her out-of-pocket expense limit, the patient has to pay for the drug, said PPAC member Barbara McAneny, M.D., from Albuquerque. If the patient can't afford it, but "we obtain it for free from the pharmaceutical companies, and if it doesn't count toward true out-of-pocket expenses, the patient will never get through the out-of-pocket [limit] and into the benefit."

Jeffrey Kelman, M.D., medical officer with the CMS Center for Beneficiary Choices, told the council that there are circumstances in which out-of-pocket expenses would be covered: Payments made by qualified state pharmaceutical assistance programs toward copayments or other cost-sharing would count toward true out-of-pocket expenses, for example, in terms of reaching the $3,600 out-of-pocket limit before reinsurance, he said.

However, payments from a third-party insurance company—or from government agency policies—would not, he said.

For the Part D benefit, CMS has divided the country into 34 regions, and all will have robust coverage with several Part D drug plans available for beneficiaries of all incomes and for dual-eligible patients in the Medicare and Medicaid programs, Dr. Kelman told the PPAC.

He expressed confidence that beneficiaries would be able to afford the benefit. The average monthly premium for the benefit is $32.30 nationally, lower than what the agency expected, he said.

Dr. McAneny noted that rumors were floating around regarding whether Part B drugs—such as oral chemotherapy agents that are covered under the medical benefit as opposed to the pharmacy benefit—would be moving over to Part D.

"At the moment, those drugs aren't moving anywhere," Dr. Kelman said. "There's talk of it because, starting in January, there will be two drug benefits, and there is a potential for confusion, particularly over the oral drugs or chemo drugs, because all those drugs in theory could be [Part] B or D drugs."

In the months leading up to the January start of Part D, CMS has actively been spending time on the education of, communication with, and enrollment of beneficiaries, but outreach to physicians about the drug benefit is an area that needs work, Dr. Kelman said. "Is it toolkits, training sessions, CME?" he asked the panel.

Such tools are important, he noted, as "it's very clear that the practicing physician will be the point of contact for the beneficiary" who needs guidance on what to do about the new benefit.

No physician wants patients to miss out on the Part D benefit, Dr. Kelman noted, "especially because the low-income subsidy is a good benefit.

"There [are] no premiums, no gap, a minimum copay, no deductible, and a full catastrophic benefit."

Medicare needs input on how it could interact with physicians on formulary changes, such as matching the formulary with the patient's current drug list, he said.

In a resolution, PPAC indicated it would complement the efforts of CMS to disseminate information to the public about the Part D benefit program.

CMS, in the meantime, is developing a new Web tool to help facilitate the enrollment process of the new Part D benefit, Dr. Kelman said.

This new tool "will allow the beneficiary and the physician to identify the plans that the [beneficiary] has been auto-enrolled into or has actively enrolled into," with additional information on the Medicare drug cards.

Auto-enrollment has been a big question in particular for the full-benefit dual-eligibles (those patients who are eligible fore Medicare and Medicaid), he said. "Now they can do it on the Web or, more likely, their physician, pharmacist, or social worker can do it on the Web." ■