

# Rollout of Drug Benefit Provides Political Fodder

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WASHINGTON — Does your Medicare patient need a drug not on the drug plan formulary? Be forewarned: You may have to fill out pages of forms.

"There continue to be widespread reports of drug plans requiring prior authorization for beneficiaries to receive needed medication," Sen. Hillary Rodham Clinton (D-N.Y.) said during a hearing of the U.S. Senate Special Committee on Aging. "Some reports have plans requiring forms for each drug, while others are requiring doctors to fill out forms as long as 14 pages for drugs that a beneficiary has been taking for years."

Addressing her remarks to Dr. Mark B. McClellan, administrator of the Centers for Medicare and Medicaid Services and the hearing's first witness, Sen. Clinton continued, "Your agency's request that plans discontinue this practice does not seem to be working, based on the information we have. I hope that you will require, not request, require that the plans cease this practice and enforce that requirement."

In his prepared testimony, Dr. McClellan noted that CMS has "developed specific procedures for timely exceptions and appeals. Using those procedures, a Medicare beneficiary can get coverage for a drug that is not on a plan's established formulary."

He also acknowledged, however, that the plan rollout was not without problems. "We make no excuses for these problems," he told committee members. "They are important, they are ours to solve, and we are finding and fixing them."

Many of the problems with getting prescriptions filled occurred in the dual-eligible population—patients who qualified for both Medicare and Medicaid. "These often are the poorest and most vulnerable Americans who rely on medications to manage their chronic physical and mental illnesses," noted committee chairman Gordon Smith (R-Ore.) "We knew there would be challenges associated with their

transition from Medicaid into the new Medicare drug benefit, but it seems that perhaps not enough was done to ensure a seamless transition."

As a result of the problems with the drug benefit, "pharmacists are not getting paid on time and have to take out loans to pay their bills and keep their doors open," said committee member Blanche Lincoln (D-Ark.). "These problems could have been avoided."

Sen. Clinton said the problems were so bad that she was ready to give up. "I for one believe we should scrap this and start over. We are spending hundreds of billions of dollars on an inefficient delivery of a plan that could be done in a much more cost-effective way," she said.

But Sen. Rick Santorum (R-Pa.) disagreed. "Throwing it out would doom seniors to a situation where they would be getting less care than they are today," he said. "We should not be flippant about casting out babies with bathwaters. The idea that we're going to once again play politics with prescription drugs... is below the dignity of this committee."

Committee member Conrad Burns (R-Mont.) also weighed in. "We Americans are in this business that everything has to be instant—tea, coffee, everything that we do, and we're supposed to have a new program put in place and all at once it's perfect," he said. "I would ask my colleagues [to just] get the program in place; that serves our purpose, and then we know what to fix. Right now, we don't know what to fix."

One thing Sen. Smith said that he wants to fix is the part of the program that requires dual-eligible patients living at home or in an assisted living facility to pay copayments for drugs received under the program; currently, only dual-eligible patients in nursing homes are exempt from copayments. Sen. Smith introduced a bill eliminating the copayments for dual-eligible patients in home- or community-based care; the measure, which was cosponsored by Sen. Jeff Bingaman (D-N.M.) was still being considered at press time. ■

## POLICY & PRACTICE

### Smoking Rates Drop

The number of cigarettes sold in the U.S. in 2005 dropped 4.2% from 2004, the largest 1-year percentage decrease in sales since 1999, figures compiled by the Treasury Department show. "We are pleased to see that the long decline of cigarette consumption is continuing," Cheryl Heaton, Dr.P.H., president of the American Legacy Foundation, said in a statement. "We also know that for the first time in the United States, there are more former smokers than current smokers." The National Association of Attorneys General also applauded the numbers, noting that the drop continues "the unprecedented long-term decline in cigarette smoking that began with the settlement of lawsuits" brought by state attorneys general against the major tobacco companies.

### Veterans' PTSD Treatment Urged

Treatment of Iraq War veterans for posttraumatic stress disorder should be a high priority for the Department of Veterans Affairs, according to a bipartisan group of senators. The group wrote a letter to Veterans Affairs Secretary James Nicholson, calling on the department to report on its ability to handle an increasing number of returning veterans suffering from PTSD. The senators referred to 24 recommendations that the VA's own Special Committee on PTSD developed to improve services and treatment for veterans suffering from the illness. The senators want a report no later than May 3 detailing the agency's progress in implementing the recommendations. "It must be a priority to diagnose and treat veterans who suffer from the psychological traumas of war and help them lead healthy, productive lives," Sen. Elizabeth Dole (R-N.C.), one of the signers, said in a statement. Other signers included Illinois Democratic senators Barack Obama and Dick Durbin, Sen. Tim Johnson (D-S.D.), and Maine Republican senators Olympia Snowe and Susan Collins.

### Depression Stats Exaggerated?

Reports suggesting that almost half the U.S. population suffers from depression are "greatly exaggerated," according to a study appearing in the winter 2006 issue of *Contexts* magazine, published by the American Sociological Association. Authors Allan V. Horwitz, Ph.D., of Rutgers University and Jerome Wakefield, Ph.D., of New York University argue that community studies reporting high rates of mental illness rely on standard, closed-format questions about symptoms with no context provided to differentiate between reactions to normal life stressors such as a death or a romantic breakup, and pathological conditions that indicate clinical mental illness. "These numbers are largely a product of survey methodologies that, by nature, overstate the number of people with mental illness," the authors wrote. "Moreover, because people experiencing normal reactions to stressful events

are less likely than the truly disordered to seek medical attention, such questions are bound to inflate estimates of the rate of untreated disorder." The authors say these high numbers continue to be perpetuated for several reasons, including attempts to garner political support for the National Institute of Mental Health and other agencies devoted to preventing and treating these conditions, efforts by pharmaceutical companies to broaden their markets, and work by advocacy groups to use the numbers to lower the social distance between those with mental illness and those without.

### Bill Seeks Consent for Off-Label Rx

A bill in the California assembly would require physicians and surgeons to get informed consent from their patients before "prescribing, administering, or furnishing" a prescription for off-label use. A failure to adhere to the requirement would be considered a violation of the Medical Practice Act, which means physicians could be charged with a crime. For dermatologists, the requirements "would bring many a practice to a snail's pace," said John R. Valencia, a lobbyist for the California Society of Dermatology and Dermatologic Surgery. Karmi A. Ferguson, executive director of the organization, said the legislation "is on our hot list." If passed, the bill would not reach the governor's desk until September, but "we're hoping to kill it in committee," Ms. Ferguson said. AB 2856 was introduced by Assemblywoman Loni Hancock (D-Berkeley). It would require physicians to specify that the medication is not approved by the Food and Drug Administration for the use that the doctor is recommending, that the risks are unknown, and that there is not a consensus on the efficacy. A patient could withdraw consent at any time.

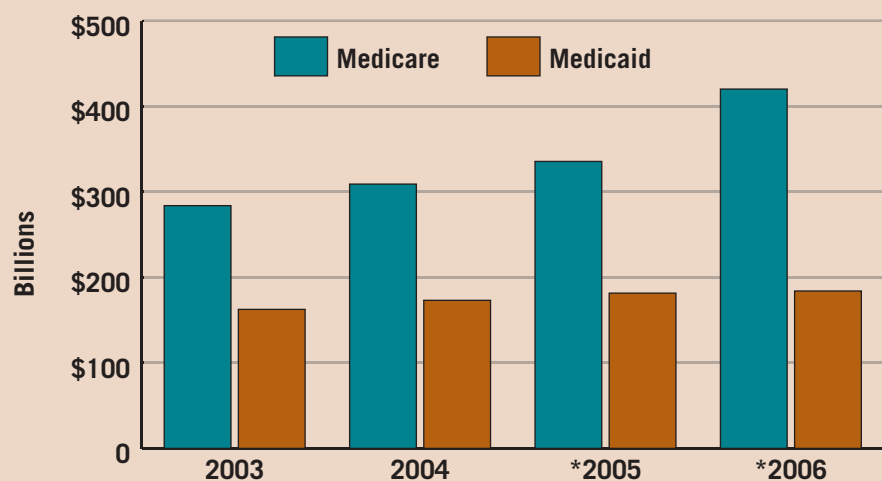
### Patient/Doctor Decision Making

Decisions about medical treatment should be made by physicians and patients, according to a survey of 1,029 adults for the National Consumers League. More than 90% of respondents agreed that, "All medications, both over-the-counter and prescription, offer benefits but also carry some risk of side effects. It should be up to physicians and patients to weigh benefits against the risks and to make decisions that are right for them," the survey said. The poll also found that the public strongly supports broader access to treatments for chronic diseases such as multiple sclerosis, Parkinson's disease, and Alzheimer's disease. "Everything in life carries risks, but in the case of chronic, debilitating conditions, the greatest risk is a lack of new and improved treatment options," said Linda Golodner, the league's president. "It obviously makes sense for these patients to have access to as many treatment options as possible and make decisions that are right for them, even if there are additional risks."

—Joyce Frieden

## DATA WATCH

Medicare Spending to Increase by 25% in 2006



\*Estimated costs.

Source: Health Affairs 2006;25:w61-w73

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