



Medicare: Issue of the Day

August 16, 2004

BETTER BENEFITS – MORE CHOICES

Good News about the Medicare Prescription Drug, Improvement and Modernization Act of 2003!

MEDICARE EXPANDS DRUGS AVAILABLE UNDER PROGRAM TO HELP BENEFICIARIES WITH SEVERE ILLNESSES

Enrollment Slots Still Available In Demonstration Program

- ❖ The Centers for Medicare & Medicaid Services (CMS) announced it is **adding two more drugs to the list of drugs covered under a Medicare demonstration program** providing substantial savings to beneficiaries with serious diseases, including cancer, multiple sclerosis, and rheumatoid arthritis.
- ❖ Mark B. McClellan, M.D., Ph.D., CMS administrator, also urged **beneficiaries without drug coverage who wish to receive their medicines at home to apply for the program** – which provides savings of up to 90 percent, or many thousands of dollars, in many cases – as soon as possible. He noted that beneficiaries have a good likelihood for selection, and **then can get the care they need at home within a few weeks of enrolling**.
- ❖ “There are **plenty of slots still available** to bring life-enhancing, even life-saving drugs to Medicare beneficiaries with these serious illnesses,” McClellan said. “We **encourage people without coverage for the drugs they need to sign up, and it’s easy to do so**. Help is just a phone call away.”
- ❖ The new **drugs added** to the program are Somavert for treatment of acromegaly; and Mesnex tablets, used to prevent some side effects in patients undergoing certain kinds of chemotherapy. Somavert is a replacement for Sandostatin, a Medicare Part B covered drug. Mesnex tablets are a replacement for intravenous Mesnex.

“This will provide **additional access and affordability to vital medicines** for people fighting serious disease,” said Health and Human Services Secretary Tommy G. Thompson.
- ❖ Under the Medicare Replacement Drug Demonstration, Medicare will pay for certain drugs and biologicals that can be **taken by the patient at home and that replace drugs which are currently covered under Medicare Part B when administered in a doctor’s office**. Newer, more effective medications that replace some currently covered oral anti-cancer drugs also will be covered. So far, **more than 20 drugs are covered**. (a list is attached)
- ❖ The demonstration program is **primarily intended for Medicare beneficiaries with limited or no drug coverage who prefer to replace the Part B drugs they currently use with treatments available under the demonstration program**.
 - While three-fourths of Medicare beneficiaries have drug coverage now and some beneficiaries get assistance through manufacturer and other assistance programs, **beneficiaries without coverage may have to use Part B drugs even if they would prefer the convenience of drugs they can take at home**.

- ❖ In addition to **providing major savings**, the demonstration program will not make participants ineligible for other manufacturer programs and state prescription assistance programs that may also provide assistance with drug costs for some patients.
 - Also, just like the Medicare drug benefit, the demonstration benefit **allows beneficiaries with limited means** (incomes below 135 percent of poverty) to **reduce their costs for the drugs included** in the demonstration to **\$5 per prescription or less.**
- ❖ As set by Congress, **enrollment in the demonstration will be open to as many as 50,000 people, and total spending on the covered drugs cannot exceed \$500 million.**
 - If Medicare should **receive more applications than can be enrolled** within these limits, participants will be chosen by random selection.
 - If **Medicare does not receive more applications by September 30, 2004 than it can fill within the statutory limits, then all eligible applicants will be accepted and there will be no random selection.**
 - **CMS will continue to accept applications after September 30, 2004 on a rolling basis until one of the statutory limits is reached.**
- ❖ Beneficiaries who get their **applications in by Aug. 16 will be in an “early selection” process that will give them coverage by Sept. 1.** Those who apply **before Sept. 30** and are accepted **will begin getting benefits by Oct. 18.**
- ❖ Savings under the program can be quite large, making it especially important that Medicare beneficiaries who are eligible sign up.
 - For example, some **patients with chronic myelogenous lymphoma using the drug Gleevec** could **save nearly 90 percent, an estimated \$40,654, a year.**
- ❖ Some patients with pulmonary hypertension using the **drug Tracleer** would **save an estimated 86 percent, or \$31,255, annually.**
- ❖ Some **patients with multiple sclerosis could save 75 percent, or \$12,260, on medicines that cost an estimated \$16,298 a year.**
- ❖ Some **patients with rheumatoid arthritis could save 75 percent, or \$11,975, on medicines that cost an estimated \$16,000 annually.**

Information about the demonstration, including the complete list of covered drugs, brochures, and application forms, may be downloaded from the CMS Web site at <http://www.cms.hhs.gov/researchers/demos/drugcoveredemo.asp>. Customer service representatives are available at 1-866-563-5386, or by TTY at 1-866-536-5387, to answer questions about the demonstration and assist beneficiaries in obtaining and completing the application forms.

DRUGS COVERED UNDER THE
MEDICARE REPLACEMENT DRUG DEMONSTRATION

(updated August 9, 2004)

Demonstration Covered Indication	Drug/Biological—Compound Name (Brand Name)
Rheumatoid Arthritis	Adalimumab (Humira)
	Anakinra (Kineret)
	Etanercept (Enbrel)
Multiple Sclerosis	Glatiramer acetate (Copaxone)
	Interferon beta –1a (Rebif, Avonex)
	Interferon beta –1b (Betaseron)
Osteoporosis (patient must be homebound)	Calcitonin – nasal (Miacalcin – nasal)
Pulmonary Hypertension	Bosentan (Tracleer)
Secondary Hyperparathyroidism	Doxercalciferol (Hectoral)
Paget's Disease	Alendronate (Fosamax)
	Risedronate (Actonel)
Hepatitis C	Pegylated interferon alfa-2a (Pegasys) Pegylated interferon alfa-2b (PEG-Intron)
CMV Retinitis	Valcyte (Valganciclovir)
Acromegaly	Pegvisomant (Somavert)
Anti-Cancer	
Cutaneous T-cell Lymphoma	Bexarotene (Targretin)
Non-small cell lung cancer	Gefitinib (Iressa)
Epithelial ovarian cancer	Altretamine (Hexalen)
Chronic Myelogenous Leukemia	Imatinib Mesylate (Gleevec)
GI Stromal Tumor	Imatinib Mesylate (Gleevec)
Multiple Myeloma	Thalidomide (Thalomid)
Breast Cancer	Hormonal therapy
Stage 2-4 only	Anastrozole (Arimidex)
	Exemestane (Aromasin)
	Letrozole (Femara)
	Tamoxifen (Nolvadex)
	Toremifene (Fareston)
Prophylactic agent to reduce ifosfamide-induced hemorrhagic cystitis	Mesna (Mesnex)

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