

## **Medicare Replacement Drug Demonstration**

### **Who benefits from this demonstration?**

**A new law lets up to 50,000 people with Medicare who have certain life-threatening disease get significant savings on certain drugs for these conditions. Lower income beneficiaries who qualify will save even more.**

### **What drugs are covered in the demonstration?**

**The list of conditions and drugs that are covered for these conditions is attached. You can also see the approximate savings that you will get if you qualify for the demonstration. The demonstration includes certain drugs for specified conditions that you can take yourself at home. The drug you take yourself at home “replaces” the same drug you could receive in the doctor’s office and would be covered under Medicare Part B.**

### **Who can qualify for the Medicare Replacement Drug Demonstration?**

**To qualify for this demonstration, you must meet the following requirements:**

- You must have Medicare Part A and Part B**
- Medicare must pay first for your health care services (called the primary payer)**
- You must have a signed document from your doctor stating that you need one of the drugs covered under this program for the specific covered condition**
- You don’t have comprehensive outpatient prescription drug coverage from any other insurance (other than a Medicare Advantage plan or Medigap policy), including Medicaid, TRICARE, or an employer or union group health plan or other source of comprehensive coverage for these drugs**
- You live in one of the 50 states or the District of Columbia**

**When will this demonstration begin?**

**You can send in your application anytime after July 6, 2004. Applications must be received by September 30, 2004. Applications received after that date will only be considered if space is still available. If you send in your completed application by August 16, 2004, you may be part of an early selection process. This means your coverage could begin September 1, 2004.**

**When will this demonstration end?**

**This demonstration will end on December 31, 2005. If you want to continue to take these drugs at home after this date, you will have to join a Medicare Prescription Drug Plan. Medicare Prescription Drug Plans will be available beginning January 1, 2006 and you will be able to enroll in one of these plans beginning in November 2005.**

**How do I get an application for the program?**

**To get an application, you can visit [www.medicare.gov](http://www.medicare.gov) on the web. Or, call 1-866-563-5386 on or after July 6, 2004. TTY users should call 1-866-563-5387. Customer Service Representatives are available between 8:00 a.m. and 7:30 p.m. Eastern Time Monday through Friday. Medicare has contracted with TrailBlazer Health Enterprises. “TrailBlazers” will have trained staff ready to answer your questions and give you information about applying for this demonstration. Call to see if you qualify for this demonstration.**

**If you have questions before July 6, 2004, you can call 1-800-MEDICARE (1-800-633-4227) for general information about this demonstration and answers to other Medicare questions.**

## Beneficiary Fact Sheet (External Use) – Updated June 24, 2004 – 11:10 AM

### MEDICARE REPLACEMENT DRUG DEMONSTRATION – ANNUAL BENEFICIARY COSTS

Disease	Compound Name (Brand Name)	Estimated Annual Retail Cost (1)	Estimated Cost under Standard Cost Sharing (2)	Savings (Percent)	Estimated Cost under Low Income Subsidy (135-150% of FPL) (3)	Savings (Percent)	Estimated Cost under Low Income Subsidy (100-135% of FPL) (4)	Savings (Percent)
Cutaneous T Cell Lymphoma	Bexarotene (Targretin)	\$61,320	\$5,951	\$55,369 (90%)	\$643	\$60,677 (99%)	\$60	\$61,260 (100%)
Gastrointestinal Stromal Tumor	Imatinib Mesylate (Gleevec)	\$45,952	\$5,298	\$40,654 (88%)	\$638	\$45,314 (99%)	\$60	\$45,892 (100%)
Chronic Myelogenous Lymphoma	Imatinib Mesylate (Gleevec)	\$45,952	\$5,298	\$40,654 (88%)	\$638	\$45,314 (99%)	\$60	\$45,892 (100%)
Anaplastic astrocytoma	Temozolomide (Temodar)	\$27,878	\$4,530	\$23,348 (84%)	\$638	\$27,240 (98%)	\$60	\$27,818 (100%)
Epithelial Ovarian Cancer	Altretamine (Hexalen)	\$25,631	\$4,434	\$21,197 (83%)	\$638	\$24,993 (98%)	\$60	\$25,571 (100%)
Multiple Myeloma	Thalidomide (Thalomid)	\$24,098	\$4,369	\$19,729 (82%)	\$633	\$23,465 (97%)	\$60	\$24,038 (100%)
Lung Cancer (non-small cell)	Gefitinib (Iressa) (5)	\$3,500	\$1,475	\$2,025 (58%)	\$489	\$3,011 (86%)	\$60	\$3,440 (98%)
Breast Cancer Stages 2-4	Letrozole (Femara)	\$2,843	\$917	\$1,926 (68%)	\$405	\$2,438 (86%)	\$60	\$2,783 (98%)
	Exemestane (Aromasin)	\$2,827	\$903	\$1,924 (68%)	\$403	\$2,424 (86%)	\$60	\$2,767 (98%)
	Anastrozole (Arimidex)	\$2,700	\$795	\$1,905 (71%)	\$387	\$2,313 (86%)	\$60	\$2,640 (98%)
	Tamoxifen (Nolvadex)	\$1,642	\$536	\$1,106 (67%)	\$252	\$1,390 (85%)	\$60	\$1,582 (96%)
	Toremifene (Fareston)	\$1,411	\$487	\$924 (65%)	\$222	\$1,189 (84%)	\$60	\$1,351 (96%)
<b>NON-CANCER DISEASES</b>								
Pulmonary Hypertension	Bosentan (Tracleer)	\$36,136	\$4,881	\$31,255 (86%)	\$638	\$35,498 (98%)	\$60	\$36,076 (100%)
CMV Retinitis	Valcyte (Valganciclovir)	\$22,911	\$4,319	\$18,592 (81%)	\$633	\$22,278 (97%)	\$60	\$22,851 (100%)
Hepatitis C	Pegylated interferon alfa-2a (Pegasys, PEG-Intron)	\$17,600	\$4,093	\$13,507 (77%)	\$633	\$16,967 (96%)	\$60	\$17,540 (100%)
Multiple Sclerosis	Interferon beta-1a (Avonex, Rebif), Interferon beta-1b (Betaseron) Glatiramer acetate (Copaxone)	\$16,298	\$4,038	\$12,260 (75%)	\$628	\$15,670 (96%)	\$60	\$16,238 (100%)
Rheumatoid Arthritis	Anakinra (Kineret), Adalimumab (Humira), Etanercept (Enbrel)	\$16,000	\$4,025	\$11,975 (75%)	\$628	\$15,372 (96%)	\$60	\$15,940 (100%)
Paget's Disease	Risedronate (Actonel)	\$2,700	\$795	\$1,905 (71%)	\$387	\$2,313 (86%)	\$60	\$2,640 (98%)
Secondary Hyperparathyroidism	Doxercaliferol (Hectoral)	\$2,204	\$656	\$1,548 (70%)	\$324	\$1,880 (85%)	\$60	\$2,144 (97%)
Paget's Disease	Alendronate (Fosamax)	\$940	\$387	\$553 (59%)	\$162	\$778 (83%)	\$60	\$880 (94%)
Osteoporosis (patient must be homebound)	Calcitonin-nasal (Miacalcin-nasal)	\$778	\$353	\$425 (55%)	\$142	\$636 (82%)	\$60	\$718 (92%)

(1) Estimate based on 100% of Average Wholesale Price (AWP) from March 2004 Redbook for a typical dosage; Actual retail price for a beneficiary may be more or less.

(2) Program cost estimated at 85% of AWP. Retail dispensing fee of \$1.50 not included.

(3) Reduced deductible and coinsurance if income between 135 and 150 percent of poverty level.

(4) Flat per-prescription payment if income between 100 and 135 percent of poverty level.

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(5) Cost estimated for 3-month course of treatment.

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