Pharmacotherapy on a Dime:
Medication Resources for the Underinsured

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Learning Objectives

• Identify medication assistance resources for the uninsured or underinsured

• Compare the strengths and limitations of generic programs, 340B pricing and prescription assistance programs

• Given a patient scenario, recommend an affordable treatment regimen

Food or Drugs?

Vs.

• Inability to pay for drugs → premature death, loss of work time and decreased quality of life
  – Costs fall on local hospitals
• Low-cost or free meds improve adherence
  – Decrease hospitalizations and ED visits

References 1-5
Cost of Nonadherence

• Both insured and uninsured patients have reported cutting back on doses or not filling Rx

• Increased ED visits and other unnecessary health care use

• Estimated to cost US healthcare system up to $100 billion/year

References 6-9

Focus on Low Income Uninsured

Non-elderly Uninsured in Michigan by Income (Percentage of Federal Poverty Level)

About 70% of Michigan’s uninsured population – 1,250,584 people – have incomes below 200% of the Federal Poverty level (FPL)

* Rough

Reference 10

Medication Resources

• Generic drug Programs
  – Pharmacy based discount program

• 340 B pricing

• Prescription Assistance Programs
• County Health Plans
• Other Resources
Generic Drug Programs

- Deeply discounted medication (DDM) list
  - By 2008, 70 million Americans had obtained at least one prescription from DDM
- Major pharmacy chains and retailers
  - Pricing war started in 2006 (Kmart, Wal-Mart)
  - Membership and/or fee required
- 30 or 90 d supply for $4 or $10
  - “loss leaders”

Reference 11:13

Who is Using Generic Programs?

- Wal-Mart estimates 30% of $4 list customers are uninsured
  - Same price to all patients regardless of insurance status
- 1/3 of top 100 generics (from Top 200) are on Walmart’s program
  - Many include approx 300 medications
  - Cardiovascular, analgesic antidepressant, antibiotic, antidiabetes, oral contraceptives

Reference 11:14

Generic Drug Programs

- Chronic Disease meds
  - Thiazide-like diuretics
  - ACE I
  - Beta blockers
  - Metformin
  - Loop diuretics
  - Other CV
  - Pravastatin
  - SSRI’s
  - Oral contraceptives
- Acute Meds
  - NSAIDs
  - Antibiotics
  - Antifungals
  - Allergy, cold & flu
  - Topicals
  - Muscle relaxants
    • cyclobenzaprine
What's Missing?

- Asthma/ COPD controller meds
- Atypical antipsychotics
- ARBs
- Insulin
  - Wal-Mart has ReliOnN, R and 70/30 for $24.88
- Diabetes testing supplies
  - Prime Meter - $16.24 (Wal-Mart)
  - Prime Strips 50 ct - $9.00

Generic Drug Programs- Concerns

- Potential for suboptimal prescribing?
  - Inappropriate meds
  - Most the drugs are effective
- "a la carte" pharmacies
  - Incomplete medication profiles
- 90 day supply waste
  - VA study compared benefit of 30 vs 90 day
  - 5% of prescriptions d/c'd within 90 days of initiating

Reference 12

Generic Programs- Limitations

- Meds do not count toward "donut hole"
- Need studies to determine if avoiding urgent care or hospitalizations
- Insurers and P9Ms can’t do DUR or disease management
- Long-term implications?
340B Drug Pricing Program

- Provide discounts on outpatient prescription drugs to select safety net providers
  - Front end discounts
  - Same discount as rebates to state Medicaid
- 15-60% savings on drug costs using 340B program for health centers
  - Pts > 200% FPL = full pay
  - Pts 100-200% FPL= sliding fee scale
  - Pts < 100% FPL= minimal charge

Example 340B Price Calculations

- Generic/ OTC drugs
  - Average Manufacturer Price (AMP)- 13%
  - List price is $15; AMP $10
  - 340B: 10-13% or $8.70 (58% of list price)

- Brand name drugs
  - AMP- 23.1% OR best price (whichever lower)
  - List price is $30; AMP is $20
  - 340B: $20-23.1% or $15.38 (51.3% list price)

340B Programs- Limitations

- 340B prices recalculated quarterly
- Health centers that use a wholesaler may face additional fees
- Must be patients of the qualifying entity to get 340B pricing
- Health centers are responsible for making sure no “double dipping” occurs with Medicaid rebates
Prescription Assistance Programs (PAPs)

- Provide access for uninsured and unable to pay for meds
  - Income from 100-400% of Federal Poverty level
  - 82% of Top 200 entities offered by PAPs
- www.needymeds.com
- www.pparx.org
- Health care institutions can reduce bad debt by implementing their own PAPs.

Reference 16

Prescription Assistance Programs (PAPs)

- Qualification standards
  - Many exclude insured or Medicare Part D patients
  - Citizenship
  - Income
- Submission criteria
  - Mail, fax, online
- Supporting documentation required
  - Tax returns, bank statements, award letters

Reference 17

Provider Costs for PAP Programs

- Medical assistants completed applications
  - Personnel time (more than half of cost)
  - Supply/submission costs
- Total application costs
  - Average was $25.18
    - Range: $7.73 to $58.13
  - Average time to complete forms was 6 min 20 sec
    - Range : 3 min to 34 min

Reference 17
Evidence for PAPs

- Clinical disease indicators and adherence
- Review of literature of PAP programs
  - Significant improvement in A1c and LDL
  - Economic evaluations suggest PAP medications offset health care institutions’ cost for uncompensated medications
  - Heterogeneous data
  - More rigorous research needed to establish clinical and cost-effectiveness

Reference 18

Assistance Programs- Limitations

- Complex process
- 2-8 weeks processing
- 3-month supply
- Delivery of medication
- Many require quarterly application
- Little incentive for health professionals
- Medicare Part D?

County Health Plans

- Adult Benefits Waiver (Plan A)
  - Age 19-64
  - Household of 1= $594/month
  - Household of 2= $731/month
  - $1 copay on medications
    - Meds < $35 per month do not need PA
    - Requires PAP utilization for some medications
  - $0 copay on medical supplies
  - Open enrollment in April

www.kenthealthplan.com
**County Health Plans**

- Kent Health Plan B
- Income < or = 150% poverty
- Not eligible for any government-sponsored healthcare program
- Non U.S. citizens ARE ELIGIBLE
- Prescriptions $4 generic $10 Brand
- Some brand drugs require PAP
  - Some covered up to 90 days through community medical fund

www.kenthealthplan.com

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**County Health Plans**

- Limited access to care/clinics
- Enrollment limitations
- Not really “insurance”
- Patients may have to go to the health plan office to get glucose meter
- Limited list of participating pharmacies

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**“Lifestyle” Resources for Patients**

**YMCA “Veggie Van”**

- Funded by 1.5 million grant from the WK Kellogg Foundation
- Mobile farmers market
  - Once a week, several stops in Grand Rapids
  - Fresh fruits and vegetables
  - Reduced cost
  - Bridge card and WIC
  - “double dollars”
Other Resources

- www.rxassist.org
  - Lists drug assistance programs by state
- www.medicare.gov/prescription/home.asp
  - Public & private programs that offer discounted or free meds
- 888-ASK-HRSA (community health centers)
- www.eldercare.gov (Area on Aging)
- Discount cards
  - GSK orange Card; LillyAnswers Card; Pfizer for Living Card; TogetherRx Card
  - See needymeds.com/discountcomp.html

More Useful Websites

- www.needymeds.com
  - Lists PAP programs and discounts available
  - Includes eligibility criteria and application form
- www.fingertipformulary.com
  - Free resource links to formularies for Medicaid, commercial and Medicare Part D plans
  - Includes links to many prior auth forms
- www.communityhealthplans.org

Conclusions

- Identify patients in need- direct questioning
- Develop a treatment plan with the patient
  - Accept imperfection
  - Document, provide patient with drug list
  - Follow-up
- Collaborate with other providers
- Cost effectiveness comparisons
Questions?

References
