

Medicare drugs covered under Part B and Part D

ISSUE: How have drug plans, pharmacists, and physicians handled situations where drugs can be covered under both Part B and Part D? Are Medicare beneficiaries experiencing any problems because of delays while plans determine whether drugs are covered under Part B?

KEY POINTS: Before 2006, Medicare covered few outpatient drugs under Part B but those medications were used to treat patients with very serious medical conditions. Since passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), Medicare beneficiaries can obtain coverage for most other types of needed outpatient drugs through Part D stand-alone prescription drug plans (PDPs) or Medicare Advantage health plans (MA-PDs). In some cases, plans are unable to determine which program covers a particular drug without additional information. Plans cannot cover drugs that might be eligible for Part B coverage so they must put many of these overlap drugs on prior authorization. This increases the cost and administrative burden for physicians, pharmacists, and health plans and may delay beneficiary access to needed medication.

For this presentation, we report the results of interviews with health plans, pharmacists, and beneficiary advocates about the issues they are experiencing with overlap drugs.

ACTION: Staff needs feedback on this paper which is designed to be included in the Commission's June Report to the Congress.

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