

Beneficiaries with high drug spending under Part D

ISSUE: Medicare’s outpatient prescription drug benefit is in its sixth year of operation. Surveys indicate high enrollee satisfaction, but federal costs have been growing considerably faster than the economy. In this session, staff will describe the patterns of drug use by high-cost beneficiaries to better understand the drivers of cost growth in Part D.

KEY POINTS: We will discuss how the patterns of drug use for high-cost beneficiaries differ from other Part D enrollees. The surprising finding that most high-cost beneficiaries do not take biologics suggests that there may be ways to reduce Part D program spending without affecting access to needed medications. We will also discuss some of the issues associated with high use of drugs.

ACTION: Commissioners should provide comments on the scope and substance of this analysis.

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