

November 2009

Lilly Oncology Reimbursement Update

Previous Reimbursement Updates can be found at www.LillyPatientOne.com

Lilly Oncology is pleased to offer this newsletter as part of our commitment to patient access to care. For more information about the topics discussed in this issue, please contact Rick Ford, Director of Reimbursement Consulting for AccessMED, at 913-744-6001.

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This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of the written law or regulations or local payer guidelines. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

CMS Announces Medicare Part D Plan Options for 2010

Medicare beneficiaries enrolled in Medicare Advantage plans will continue to have a wide range of plan options in 2010, and those beneficiaries who decide to change plans should find choosing a new plan simpler than in previous years, according to information recently released by the Centers for Medicare and Medicaid Services.ⁱ The same percentage of Medicare beneficiaries who have access to a Medicare Advantage plan today (99.9 percent) will have access to a Medicare Advantage plan in 2010. In addition, all Medicare beneficiaries will have many prescription drug plans from which to choose. The annual enrollment period for 2010 begins November 15, 2009.

Medicare Advantage plans are health plan alternatives to original Medicare. These plans may be Medicare health maintenance organization (HMOs), preferred provider organizations (PPOs), private fee-for-service plans, or Medicare special needs plans. These plans may offer benefits beyond those that are available in original Medicare.ⁱⁱ

Medicare beneficiaries who enroll in a Medicare Advantage plan may also receive a prescription drug plan (a Part D plan) that covers classes of prescription drugs that are not already covered by Medicare Part B. If the Medicare Advantage plan that the beneficiary selects does not offer a prescription drug benefit, or if the individual chooses to remain in original Medicare, he or she may choose from a variety of stand-alone prescription drug plans that will continue to be available in 2010. Enrollment in a prescription drug plan is voluntary, so individuals may also choose to forgo Part D prescription drug coverage altogether.ⁱⁱⁱ

Although the number of available Medicare Advantage plans will remain relatively stable in 2010, there are a few plans that are exiting the Medicare market. Approximately 1.5 percent of all Medicare beneficiaries (and about seven percent of beneficiaries currently enrolled in Medicare Advantage plans) will need to choose a new health plan or original Medicare because their current plan announced earlier this year it would not renew in 2010.

Most exiting plans are private fee-for-service (PFFS) plans that have made business decisions to leave the Medicare program. Other plans were eliminated as CMS worked collaboratively with plan sponsors to reduce the number of low-enrollment plans (those serving less than 100 enrollees) and duplicative plans (plans offered by the same sponsor with similar benefits that made it hard for beneficiaries to distinguish differences between the plan offerings) while continuing to ensure beneficiaries had access to a range of plans.

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Medicare Part D in 2010 (continued)

In 2010, beneficiaries who are currently enrolled in Medicare Advantage plans can expect to see an average premium of about \$39 a month, a \$7 difference from 2009. Almost 87 percent of Medicare beneficiaries will have access to a Medicare Advantage plan that does not require a premium.

According to CMS, Medicare prescription drug plan premiums will average \$30, a \$2 difference from 2009. The premium increase for Part D is less than previously expected – CMS had anticipated the average premium would be \$32. Those who qualify for the full Medicare low-income subsidy will pay no premiums or deductibles in Medicare prescription drug plans.

During the Medicare Part D open enrollment period that begins on November 15, individuals may enroll or change from one Part D plan to another. There are a wide variety of premiums and deductible factors for patients to consider. For example, among the stand-alone prescription drug plans, premiums can range from \$1.50 to \$120.20 per month in 2010, and initial

deductibles (before the doughnut hole) range from \$0 to \$310 per year.^{iv} Formularies can also vary significantly from plan to plan. CMS provides a Web-based tool that can be used by the public to evaluate variable factors such as these. For example, a patient can enter a list of drugs he or she is currently taking and receive a list of available Medicare Advantage and stand-alone prescription drug plans, the status of each drug on each plan's formulary, and the associated annual costs. This tool, called the Medicare Plan Finder, is available at www.Medicare.gov.

CMS plans to distribute the 2010 *Medicare & You* handbook to beneficiaries and will publish updated information at www.medicare.gov in mid-October. This information will also be available to callers at 1-800-MEDICARE. Users of the Medicare Plan Finder, available at www.Medicare.gov, will be able to compare plans' quality summary rating from the previous year, identify which drugs may or may not be on a plan's formulary or be restricted, and compare the cost ranges for plans available in their community.



For more information:

- CMS Open enrollment center: <http://www.cms.hhs.gov/center/openenrollment.asp>
- CMS 2010 Landscape Data Files (Downloads section): <http://www.cms.hhs.gov/PrescriptionDrugCovGenIn/>
- CMS interactive tools for beneficiaries: <http://www.Medicare.gov>

Endnotes:

ⁱ Centers for Medicare and Medicaid Services Press Release, October 1, 2009 - <http://www.cms.hhs.gov/apps/media/press/release.asp?Counter=3526&intNumPerPage=10&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=1%2C+2%2C+3%2C+4%2C+5&intPage=&showAll=&pYear=&year=&desc=&cboOrder=date>, accessed October 5, 2009

ⁱⁱ CMS: Medicare Advantage Plans. <http://www.medicare.gov/Choices/Advantage.asp>, accessed October 5, 2009

ⁱⁱⁱ CMS - Prescription Drug Coverage: Basic Information. <http://www.medicare.gov/pdp-basic-information.asp>, accessed October 5, 2009

^{iv} CMS – Prescription Drug Coverage: General Overview Information; Downloads – 2010 PDP Landscape Source Files. <http://www.cms.hhs.gov/PrescriptionDrugCovGenIn/>, accessed October 5, 2009