

Limit patient out-of-pocket payments for drugs where higher adherence reduces total costs of care





Establish limits on total annual out-of-pocket costs on Part D





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There Is Currently No Spending Cap On Part D



"For the first time since being diagnosed 10 years ago, Krahne, 65, decided to delay filling his prescription, hoping that his cancer wouldn't take advantage of the lapse and wreak further havoc on his body."

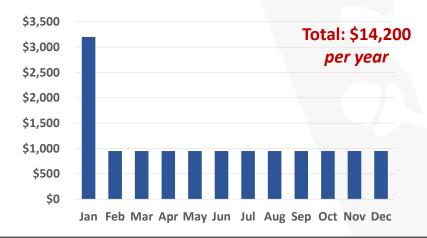
— Kaiser Health News, 2017

Department of Health Policy



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Even After Catastrophic Coverage, 5% Can Be A Burden For Patients Using Expensive Drugs



Department of Health Policy

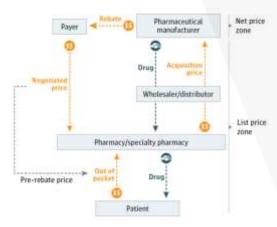


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Use net prices to set patient out-of-pocket spending when paying deductibles and coinsurance



Current System Disproportionately Burdens Patients Needing Expensive Drugs



Dusetzina SB, Conti RM, Yu NL, Bach PB. Association of Prescription Drug Price Rebates in Medicare Part D With Patient Out-of-Pocket and Federal Spending. *JAMA Internal Medicine*, 2017.





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Include costs, clinical effectiveness, and available treatment alternatives when determining patient cost sharing



Addressing Patient Out-of-Pocket Spending

- 1. Limit patient out-of-pocket payments for drugs where higher adherence reduces total costs of care
- 2. Establish limits on total annual out-of-pocket costs on Part D
- 3. Use net prices to set patient out-of-pocket spending when paying deductibles and coinsurance
- 4. Include costs, clinical effectiveness, and available treatment alternatives when determining patient cost sharing



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