

# American Academy of Pediatrics

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## Section for Senior Members

**Medicare Part D**, designed to provide enhanced prescription-drug coverage for seniors, went into effect in January 2006. Recently, in the *New England Journal of Medicine*, Vol. 354:22, June 6, 2006, two opposing viewpoints on how successful the implementation of Medicare Part D has been to date and whether it is fulfilling its stated objective. Links to the articles are provided below at the recommendation of the Section for Senior Members Executive Committee.

Peter B. Bach, M.D., M.A.P.P., and Mark B. McClellan, M.D., Ph.D. presents the view of CMS – ([The First Months of the Prescription-Drug Benefit](#)) in the Perspective Section of the Journal. Part D (as of the publication of the article) covers 31 million Medicare beneficiaries. As of April 2006, the average monthly premiums for beneficiaries were 32 percent lower than was originally forecast. (The average premium is \$25 per month, as compared with a projected \$37 per month.)

In contrast, Louise M. Slaughter, MPH, "[Medicare Part D — The Product of a Broken Process](#)" makes the point that Part D has not yet fulfilled its basic promise: to make Medicare's drug coverage closer to universal, especially among the neediest Americans. At least six million Medicare beneficiaries without drug coverage had still not enrolled as of late April. More important, more than 80 percent of beneficiaries in the lowest income bracket had yet to enroll.

Finally – the critical nature of access to drugs is reinforced by Hsu et al. ([Unintended Consequences of Caps on Medicare Drug Benefits](#), *NEJM* 354:22, June 6, 2006). They compared the clinical and economic outcomes in 2003 among 157,275 Medicare+Choice beneficiaries whose annual drug benefits were capped at \$1,000 and 41,904 beneficiaries whose drug benefits were unlimited because of employer supplements. They concluded that a cap on drug benefits was associated with lower drug consumption and unfavorable clinical outcomes. In patients with chronic disease, the cap was associated with poorer adherence to drug therapy and poorer control of blood pressure, lipid levels, and glucose levels. The savings in drug costs from the cap were offset by increases in the costs of hospitalization and emergency department care.

As of 6/7/2006