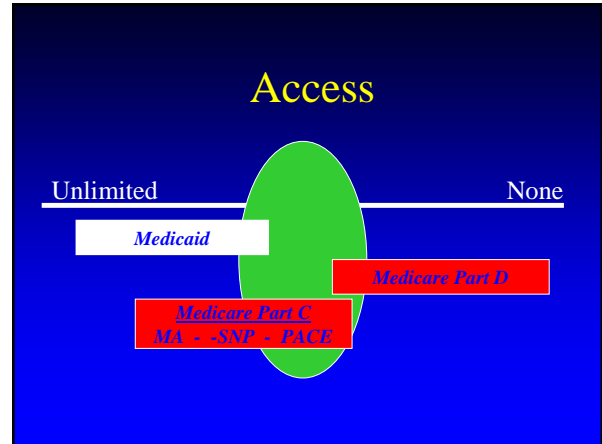



Medicare & Medicaid AD Coverage

Richard Stefanacci, DO,
MGH, MBA, AGSF, CMD
CMS Health Policy Scholar 2003-04
Center for Medicare Medication Management (cm³)
Geriatric Health Program



Medicare

- Federal Program – Medicare A, B, C & D
- Eligibility
 - Individuals over age 65
 - Individuals under age 65 who:
 - have a permanent disability and have received Social Security Disability Income for 24 months
 - have ESRD or Lou Gehrig’s disease and have received Social Security Disability Income for any period of time



Medicaid Benefits

<u>“Mandatory” Items and Services</u>	<u>“Optional” Items and Services</u>
<ul style="list-style-type: none"> • Physician services • Laboratory and x-ray services • Inpatient hospital services • Outpatient hospital services • Early and periodic screening, diagnostic, and treatment (EPSDT) services for individuals under 21 • Family planning • Rural and federally-qualified health center (FQHC) services • Nurse midwife services • Nursing facility (NF) services for individuals 21 or over 	<ul style="list-style-type: none"> • <u>Prescription drugs</u> • Clinic services • Dental services, dentures • Physical therapy and rehab services • Prosthetic devices, eyeglasses • Primary care case management • Intermediate care facilities for the mentally retarded (ICF/MR) services • Inpatient psychiatric care for individuals under 21 • Home health care services • Personal care services • Hospice services

Access

Formulary



Drug List Review

INCLUDED

✓ **Substantially all** of drugs in six classes:
(Antidepressants, Antipsychotics, Anticonvulsants, Antiretrovirals, Immunosuppressants, Antineoplastics)

EXCLUDED

- DESI drugs
- OTC, weight-related, fertility, cosmetic, symptomatic relief cough or colds, vitamins (except prenatal), barbiturates, benzodiazepines
- ED medications



Antidementia Agents

Pharmacologic Class	Formulary Key Drug Types	Pharmaceutical Preparations
Cholinesterase Inhibitors		Donepezil, Galantamine, Rivastigmine, Tacrine
Glutamate Pathway Modifiers		Memantine
Antidementia Agents, Other		Ergoloid Mesylates

USP UNIVERSITY OF THE SCIENCES IN PHILADELPHIA

Vaccinations

- Part B: Influenza, Pneumococcal, Hepatitis B
- Part D: All other Vaccines
 - 2008: Administrative Fee moves from Medicare Part B to Part D
 - Even during a subacute Part A stay vaccines are covered outside the Part A benefit

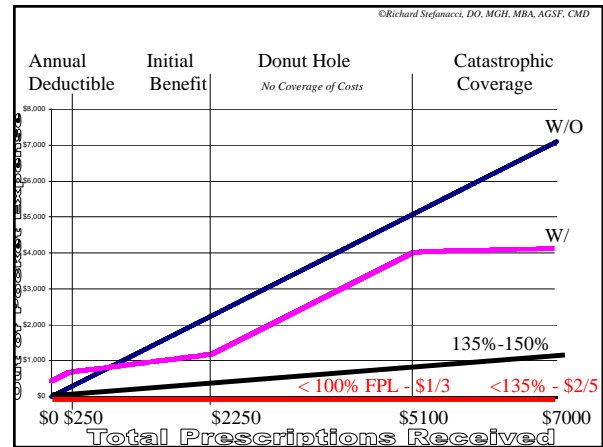
CMS Final 2008 Formulary Guidance April 9th 2007

USP UNIVERSITY OF THE SCIENCES IN PHILADELPHIA

Access

Financial Coverage

USP UNIVERSITY OF THE SCIENCES IN PHILADELPHIA



Integrated Management

USP UNIVERSITY OF THE SCIENCES IN PHILADELPHIA

The A, B & D

Part A (Hospital Insurance)

- Inpatient hospital care
- Skilled nursing facility care
- Hospice care
- Some home health care

Enrollment: Automatic at 65y/o, disability & ESRD

Premium: \$0 because they (or spouse) paid Medicare taxes while they were working.

Part B (Medical Insurance)

- Doctors' services
- Outpatient hospital care
- Some home health care

Enrollment: Automatic at 65y/o, disability & ESRD

Premium: \$98.70/month
Late enrollment penalty
Mean tested

Part D (Prescription Insurance)

- Outpatient Prescription
- Most Vaccines

Enrollment: Automatic at 65y/o, disability & ESRD

Premium: \$27.50/month
Late enrollment penalty
Mean tested being considered

USP UNIVERSITY OF THE SCIENCES IN PHILADELPHIA

Core Principles of PACE

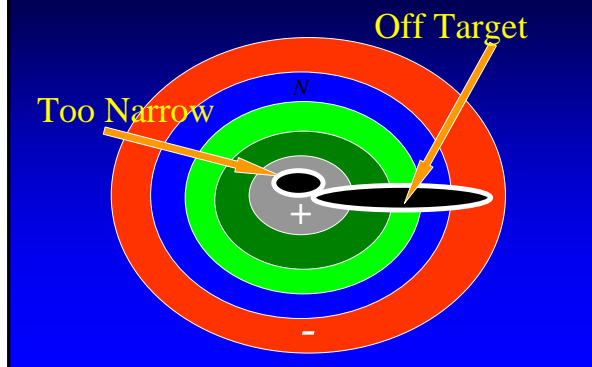
1. Serve the frail elderly – nursing home eligible
2. Provide a comprehensive set of services
3. Use an interdisciplinary team of service providers
4. Accept capitated payment – Medicare / Medicaid
5. Assume full financial risk – including nursing home placement



Optimizing Treatments



“Missing the Target”



PQRI Quality Measures

- Final list of 118 quality measure statements, descriptions, and detailed specifications now posted at: www.cms.hhs.gov/PQRI
- Participating eligible professionals who successfully report may earn a 1.5% bonus, subject to cap



Medication Therapy Management

Targeted Beneficiary

- Have multiple chronic diseases
(such as diabetes, asthma, hypertension, hyperlipidemia, and congestive heart failure)
- Are taking multiple Part D drugs
- Are likely to incur annual costs for covered Part D drugs that exceed a predetermined level as specified by the Secretary (\$4000 per year in 2006 & 2007)



DEFINED ACCESS

- Specific Diagnostic Testing
- RiskMaps
- Labeled Indications

INFLUENCING KEY STAKE HOLDERS

- Direct to Consumer advertising
- Professional detailing

TECHNOLOGY

- eRx
- EHR

MEDICARE PART D

- Protected Classes
- Excluded Medications
- Doughnut Hole
- FKDT

COST CONTROL

- LCA
- TI

PAY FOR PERFORMANCE

- POA
- PQRI



“Hitting the Target”

