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### POLITICS AND POLICY

# Medicare Urged to Rethink Revamp of Part D Drug Plan

## *Cost-Saving Measure Would End Blanket Coverage of Certain Medicines*

By JENNIFER CORBETT DOOREN

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Lawmakers from both parties asked the White House Wednesday to scrap a plan that would limit the types of antidepressants and other drugs available to seniors through Medicare.

The plan, aimed at reducing drug costs, is part of a broad set of proposed changes to the Medicare Part D prescription-drug program that covers medicines for about 39 million beneficiaries. In January, the agency proposed ending the practice of covering essentially any type of antidepressant, antipsychotic or immunosuppressant drug for consumers in the program.

The proposed changes have sparked a backlash from consumer groups and the health-care industry. Last week, a group representing more than 200 patient-advocacy organizations, insurers and health-care providers wrote to Medicare saying "we urge you in the strongest terms to withdraw the proposed rule."

The group, which includes pharmaceutical companies like Merck & Co., Johnson & Johnson and Pfizer Inc., also said the proposed changes represent "a tremendous additional burden" to an industry that's trying to implement the [Affordable Care Act](#).

At a hearing before the House Energy and Commerce panel's health subcommittee on Wednesday, lawmakers pressured a top Medicare official to drop the plan involving specific types of drugs. "I'd like to see the agency rethink its approach" on the proposal, said Rep. [Henry Waxman](#) (D., Calif.).

"Rather than continue a successful program and encourage innovation, [the Centers for Medicare and Medicaid Services] has chosen to ruin one of the only working parts in our current health-care system," said Rep. Michael Burgess (R., Texas).

Jonathan Blum, Medicare's principal deputy administrator, told lawmakers that Medicare covers drugs in about 140 classes or categories. Currently, six drug classes have a "protected status" including antidepressants, cancer drugs and anti-seizure drugs, which means Medicare drug plans need to pay for

all medicines in those categories.

For other types of drugs, such as those to treat diabetes or heart disease, Medicare drug plans don't have to cover all the drugs in a given category—much like prescription-drug benefit plans offered through employer-based insurance.

Medicare is proposing to end the protected status for antidepressants and immunosuppressant drugs or transplant drugs starting in 2015 and said it was also looking at ending the protected status for antipsychotic drugs starting in 2016. Mr. Blum said the proposal isn't meant to strictly limit the types of drugs that would be covered but to increase competition and lower prices.

"Once the requirement to cover all drugs in a class was removed, we would expect manufacturers to negotiate for their products...in order to retain as much market share as possible," Mr. Blum said. Medicare isn't proposing an end the protected status for cancer, anti-seizure and HIV drugs.

The nearly 700-page proposal also aims to reduce the number of drug plans that could be offered by insurance companies to seniors and make changes in pharmacy networks.

Medicare has also proposed cutting the number of stand-alone drug plans seniors can choose from starting in 2015. Drug-plan providers can currently offer up to three options. The proposed rule calls for two options per drug plan: a basic and an enhanced plan. This year seniors were able to pick from an average of 35 different drug plans in their regions, which some consumer groups say confuses seniors and keeps many from considering annual changes that might save money.

Mark Merritt, chief executive of the Pharmaceutical Care Management Association, which represents pharmacy-benefit managers, said the agency proposals would eliminate or significantly change about half of the Medicare drug plans that are currently available.

A coalition including the National Community Pharmacists Association and the National Rural Health Association said it supports many of the proposed changes, including ones that address "preferred pharmacies" that currently allow drug plans to steer seniors to specific pharmacies that offer lower prices or copayments on some drugs. The proposal would allow any pharmacy willing to accept negotiated prices with drug plans to participate, a change that has bipartisan support among rural lawmakers.

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