MEDICATION COST SAVINGS

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OBJECTIVES

• Define medication adherence and its importance for diabetes health
• Distinguish the differences and similarities of brand vs generic drugs
• Understand the resources available that can lower medication costs
• Identify the eligibility criteria and services covered by Medicare Part A, B, C, and D, as well as learn important insurance terms
DIABETES MELLITUS (DM) MEDICATIONS
MEDICATION ADHERENCE

Definition: “The extent to which patients take their medications as prescribed”
  • Goal: taking >80% of your medications as prescribed

Medication Adherence Statistics:
  • Adherence rate in Diabetes between 36%-93%
  • Adherence to insulin ~63%
BENEFITS OF ADHERENCE

• Improves glucose control → Prevents complications + better prognosis
  • Reduces hospitalization frequency
  • Reduces costs in long-run associated with complications
BARRIERS TO OUR ADHERENCE?

- Cost
- Forgetfulness
- Education
- Fear or safety
- Number of medications
- Travel
# SOLUTIONS FOR ADHERENCE

<table>
<thead>
<tr>
<th>Adherence Risk</th>
<th>Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
<td>- Talk to your local pharmacist</td>
</tr>
<tr>
<td></td>
<td>- Ask for referral for dietician, DM education classes,</td>
</tr>
<tr>
<td></td>
<td>ambulatory pharmacist visit</td>
</tr>
<tr>
<td></td>
<td>- Join studies for extra support</td>
</tr>
<tr>
<td><strong>Missed doses</strong></td>
<td>- Refill prescriptions before running out</td>
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<tr>
<td></td>
<td>- Phone/App reminders</td>
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<tr>
<td></td>
<td>- Pill organizer, bubble pack</td>
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<tr>
<td></td>
<td>- Support: friends, family</td>
</tr>
<tr>
<td>** Fear for safety**</td>
<td>- See education</td>
</tr>
<tr>
<td></td>
<td>- Ask providers/pharmacist for side effects and warnings</td>
</tr>
<tr>
<td></td>
<td>- How to best take medication</td>
</tr>
<tr>
<td><strong>Travel and transport</strong></td>
<td>- Order prescriptions before hand</td>
</tr>
<tr>
<td></td>
<td>- Mail order</td>
</tr>
<tr>
<td><strong>Polypharmacy</strong></td>
<td>- use pill organizers</td>
</tr>
<tr>
<td></td>
<td>- Phone/App reminders</td>
</tr>
<tr>
<td></td>
<td>- print out medication list</td>
</tr>
</tbody>
</table>
JOIN STUDIES AT STANFORD

Who is eligible?
- Ages 18 – 70 years
- BMI between 23-30 kg/m²
- Diagnosis of Type 2 diabetes under the care of a physician
- Access to a smartphone/tablet that can download the WW app
- Stable regimen of diabetes medications for at least 3 months
- Stable body weight for 3 months
- Able to visit Stanford University Campus 4 times in 12 months

To learn more about this study, please follow the QR Code or contact Nicole Turk at nturk@stanford.edu

- Extra support via providers, virtual groups, diet, weight-loss resources
CHECK YOUR UNDERSTANDING!

1) Medication adherence will help me:
   A. Save costs in the long-run
   B. Decrease hospitalizations
   C. Prevent diabetes progression
   D. ALL OF THE ABOVE
BRAND VS. GENERIC
BRAND VS GENERIC

• Brand drug: developed by a pharmaceutical company and contains patent for a number of years

• Federal law requires generic drugs to be chemically identical to FDA approved brand-name drug:
  ✓ Active ingredients
  ✓ Dosage form
  ✓ Effectiveness
  ✓ Indication
  ✓ Quality and safety
  ✓ Labeling

• Generic drugs cost ~80-85% less compared to the brand-named drug
## BRAND VS GENERIC OVERVIEW

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Brand</th>
<th>Generic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active ingredient</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Dose strength</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>FDA approval</td>
<td>Yes from clinical trials</td>
<td>Approval: submit application, show similar safety + efficacy</td>
</tr>
<tr>
<td>Cost</td>
<td>Higher cost</td>
<td>Lower cost</td>
</tr>
<tr>
<td>Insurance coverage</td>
<td>Depends on insurance formulary</td>
<td>Generally covered</td>
</tr>
</tbody>
</table>
CHECK YOUR UNDERSTANDING!

1) True or False: Brand medications are more effective than generic medications
   A. TRUE
   B. FALSE

2) Generic and brand medications have the same:
   A. Active ingredient
   B. Cost
   C. Strength
   D. Dose form
LOWERING DRUG COSTS
COPAY CARDS

• Offered by drug manufacturers to reduce brand name drug costs

• Enroll online or call:
  • Print out card and bring to pharmacy

• Requirements:
  • Must have commercial or private drug insurance
  • Exclusions: Does NOT accept governmental health insurance (ex. Medicare)
PATIENT ASSISTANCE PROGRAMS (PAPs)

- Financial assistance intended for:
  - Patients with no insurance, or underinsured, or low income
- May provide full cost of medication or discount
- Sponsored by pharmaceutical companies (mainly)
- Requirements:
  - Permanent, legal resident of the U.S. or U.S. territory
  - Provide proof of being under insured or having no insurance
  - Meet income eligibility requirements
- Example:
  - Novo Nordisk → Ozempic
  - Boerhinger Ingelheim → Jardiance
BETTER HEALTH PHARMACY – SANTA CLARA COUNTY PUBLIC HEALTH

- Drug donation pharmacy – receive unused, unopened medication donations from other pharmacies
- Available to ALL patients with a valid prescription
- NO cost, NO copay, NO controlled drugs
- Additional services: free COVID-19 tests, flu shots

Link to medication list: Better Health Pharmacy inventory - Public Health - County of Santa Clara (sccgov.org)
GOODRX

- Free mobile app and website | No sign up needed
- Offers discount coupon cards you can use at pharmacy
- Replaces insurance (cannot use with insurance)
- Savings range: up to 80% of savings in brand and generic FDA approved drugs
MARK CUBAN’S COST PLUS DRUG COMPANY (MCCPDC)

• Launched in January 2022
• 2,200 drugs (only generic)
• Eliminates middle man – lower drug costs?
  • Fully disclosed price + 15% markup + $5 pharmacy service fee + $5 shipping fee
  • Ships to all 50 states
• Uses accredited pharmacists to fill prescriptions
• List of diabetes medications available on: [Homepage of Mark Cuban Cost Plus Drugs]

“Everyone should have safe, affordable medicines with transparent prices.”
—Mark Cuban
CHECK YOUR UNDERSTANDING!

1. TRUE or FALSE: You must have commercial insurance to use copay cards
   a. True
   b. False

2. Patient Assistance Programs are intended for?
   a. Underinsured
   b. People with no insurance
   c. Low income
   d. All the above

3. TRUE OR FALSE: Better Health Pharmacy provides medications to customers free of charge
   a. True
   b. False
MEDICARE
TERMS TO KNOW

• Deductible:
  • Set amount you need to pay before insurance pays for medical services.

• Coinsurance
  • An amount you may be required to pay as your share of the cost for services after you pay any deductibles (%)

• Copay:
  • Set rate one pays for provider visits, prescriptions, and other care services
WHAT IS MEDICARE?

• Federal health insurance for ages 65+, and/or people with the certain medical conditions
  • End-stage renal disease (ESRD), on disability for at least 24 months
• Parts of Medicare:
  • Part A (Hospital Insurance)
  • Part B (Medical Insurance)
  • Part C (Medicare Advantage Plans)
    • Private plan: Part A + B +/- D +/- vision/dental or other extra service
  • Part D (Drug Coverage)
MEDICARE PART D

- Must have Medicare Part A and/or Medicare Part B
  - Or Medicare Advantage Plan that offers Part D drug coverage
- Best to enroll when you first sign up for Medicare
  - Penalty for enrolling in Medicare Part D later in the year
  - Penalty continues to rise each year
- Helps pay for prescription drugs
  - Diabetes medications including insulin
- Also covers vaccines (except those covered by part B)
PHASES OF MEDICARE PART D

1. **Annual Deductible**
   - Begins with first prescription of the year
   - Full cost of prescriptions

2. **Initial Coverage**
   - Starts immediately if plan has no deductible
   - Or when payments have equaled your plan’s deductible

3. **Coverage Gap**
   - Begins when your plan has spent $5,030 on your covered drugs
   - Aka “Donut Hole”

4. **Catastrophic Coverage**
   - When your total out-of-pocket costs reach $8,000, you exit the gap and obtain full coverage until the end of the year
MEDICARE - INSULIN

• Medicare Part D
  • Covers insulin
  • Medical supplies for insulin use: syringes, gauze, alcohol swabs

• Medicare Part B
  • Covers insulin if using with an insulin pump
  • Diabetes supplies

Cost of ONE month supply of insulin

• Capped at $35 per 30 day supply
• No deductible payment for insulin
• If getting 3 month supply, same cap each month
• Of note, co-pay pro-rated if more than 30 day supply
MEDICARE PART B

• Covers:
  • Glucose monitors
  • Blood sugar test strips
  • Lancets
  • Insulin pumps

• Continuous Glucose Monitors (CGMs):
  • Diagnosed diabetes mellitus and seen within 6 months
  • Have to be on insulin
  • OR have to have documented “hypoglycemia”

• Also covers:
  • Annual Flu and Pneumococcal vaccines
  • Foot exam every 6 months (if peripheral neuropathy and loss of sensation)
  • Eye exam every year if high risk
EXTRA HELP - MEDICARE

• Intended for people with limited income and resources
• Pays for: Medicare part D monthly premium, any yearly deductible, coinsurance, and copayments
• Apply online or call Social Security at 1-800-772-1213
• Website: https://www.medicare.gov/basics/costs/help/drug-costs

Example: Jardiance
• Part D patients may pay between $0-$50 for a month supply of Jardiance
• With Extra Help: Jardiance average cost is $4-$10 per month

** What counts in resource limits? **
• Money in checking, savings, or retirement account, stocks, bonds

Income and resource limits in 2024:

<table>
<thead>
<tr>
<th>Your situation:</th>
<th>Income limit</th>
<th>Resource limit: What counts in resource limits?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$22,590</td>
<td>$17,220</td>
</tr>
<tr>
<td>Married couple</td>
<td>$30,600</td>
<td>$24,360</td>
</tr>
</tbody>
</table>
FORMULARY AND TIERS

- What is a formulary?
  - A list of prescription drugs that your insurance will pay for

- What is a tier?
  - Drugs are ranked in tiers which allow insurance to cover certain drugs first, before having providers try higher cost drugs in the higher tiers
  - Example: Your insurance tells you that their Tier 1 drugs are generic drugs (most affordable). Tier 2 is the preferred brand-name drug and will cost more than Tier 1, but less than Tier 3 drugs which are the non-preferred brand name.
WHY IS THIS IMPORTANT?

- Knowing that each insurance has its own formulary and tier means knowing your prescription may cost more or less based on what “tier” it is in
- What do you do if your prescription is a brand name medication and it is expensive?

Call insurance to see if there is any drug in the same class that IS on the formulary and that may be covered by your insurance
SUMMARY

• Overall, it is important to be adherent to medications to prevent diabetes complications and progression
• Know your brand and generic drug medications (can save you money!)
• There are several resources available to lower drug costs
• Medicare can help pay for drug costs
THANK YOU

*Link to cost-savings resources for diabetes medications (in chat)*

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