

# Utilization Management and Medicare Part D

Suzanne Jackson

G.W. Law School

Health Insurance Counseling Project

# What is HICP?

- State Health Insurance Program = SHIP
- Created by federal statute in 1990
- CMS funds states to provide services
- Free to all Medicare beneficiaries
- Relies upon volunteer counselors

# HICP in DC

- Serving 73,000 Medicare beneficiaries
- Three attorneys and one part-time secretary
- Community and law student volunteers
- Variable demand for services:
  - October, 2006-April, 2007: 1,025 people
  - October, 2005-April, 2006: 2,900 people
- Community outreach programs
- DC-specific publications on variety of topics

# Who are our clients?

- Retired federal employees
- High percentage very low income
- Approximately 18,500 dual eligibles (including QMB, home care waiver)
- Many beneficiaries have limited literacy, cognitive issues, special language needs

# Changes since MMA

- Much more Rx work
- More urgent cases
- More complex issues
- Less manageable by ordinary beneficiary
- Less manageable by volunteers
- Greater need to involve doctors in resolving problems

# UM and low-income beneficiaries

- Most in DC never experienced UM
- Do not understand terminology
- Get nothing in writing from pharmacy
- Burden of contacting doctor on patient
- Doctors overwhelmed
- Plan staff generally unhelpful
- Plans have limited service hours
- Spanish access difficult

# Mr. A

- Denied at pharmacy – Rx from hospital
- Pharmacist could not call doctor
- Mr. A didn't understand why denied
- Plan couldn't explain why denied
- Plan advised Mr. A to go back to pharmacy to find out why denied
- Doctors asked for exception – denied
- Got Rx from Part B coverage instead

# Mrs. C

- Diabetic - 8 different medications
- Particular brand of insulin needed
- Denied coverage, “prior authorization,” wanted her to take other Rx first
- New to plan, but no transition fill offered
- Doctor persisted and with our help, eventually won exception
- This took six weeks

# Alternatives to appeals

- Doctor calls plan, changes to covered Rx
- Doctor calls plan, plan covers drug
- Doctor requires office visit for new Rx
- Patient gives up on medicine
- HICP helps to switch plans
- Charitable purchase of medicine until plan change effective

# How do we use UM data?

- When helping clients choose plans
  - Least onerous restrictions: QL, PA, ST
  - QL means nothing – must call plan
  - ST often disguised as PA

## Prior Authorization:

“high-cost Rx with potential for misuse”

## Step Therapy:

“first try a proven, cost-effective Rx before a more costly treatment”

# Our best use of UM information:

We know which plans are most and least difficult for Medicare beneficiaries to use.

We share this information with our clients and in our community outreach.