

Background and Significance

Public health and healthcare system is made up of multiple stakeholders
Many health conditions are considered a public health issue (heart disease, COVID-19)
Pharmaceutical companies create and market drugs used for common as well as rare conditions
Money for the creation of pharmaceutical drugs is through private revenue or federal grants

- Pharmaceutical companies are also allowed to lobby the US government
 - In 2020, over \$233 million spent by pharmaceutical companies on lobbying

At times, pharmaceutical companies may focus more in generating profit than helping the public
Pricing of prescription drugs is arbitrary because companies are insulated from market conditions by insurance companies (ex: EpiPen)
US has the highest prescription drug prices in the world
Currently, there is a "non-interference" clause under Medicare Part D

- The US government may not interfere with negotiations between drug manufacturers and drug plan sponsors

Issue of Medicare "Donut Hole"

- Temporary limit on what plan will cover
- In 2022 "Donut Hole" limit = \$7,050
 - After this limit, Catastrophic Coverage goes into effect (beneficiaries pay up to 25% of total drug cost)
- Restarts every year

There was a universal increase in price for prescription drug s from 2012-2017
Deficiency in pricing transparency within pharmaceutical industry
Among older, Medicare beneficiaries there was a 2.6% increase in cost-related medication non-adherence

Aims

1. To assess the impact of increasing drug prices on the elderly in the United States
2. To identify the factors related to medication non-compliance and non-adherence
3. To investigate possible policy solutions

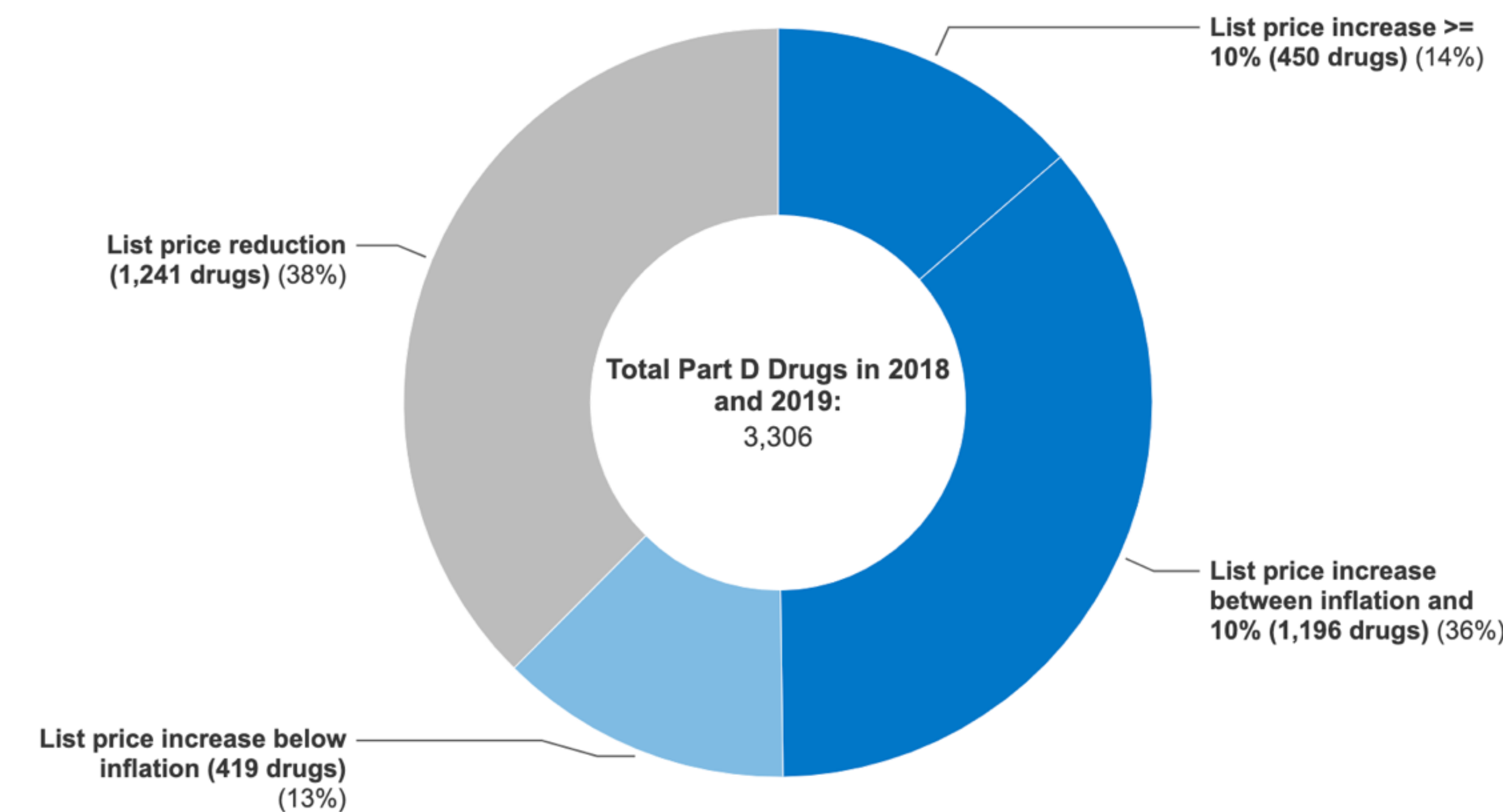
Methods and Process Plan

A rapid systematic review of the available literature was conducted to appropriately assess the impact of increasing prescription drug costs on the elderly population in the United States
Participants: Adults 65 years and older residing within the United States
Materials: PubMed, Google Scholar, JAMA Network, RefWorks and PRISMA checklist
Procedures: MeSH terms (prescription drugs, costs, non-adherence, non-compliance)
Ethical Considerations: Only included literature/research that was conducted according to IRB standards was used in this systematic review
Inclusion Criteria: Age 65 and up, living in the US, having a chronic condition requiring prescription medication
Exclusion Criteria: Younger than 65, not residing in the United States, no health issues

Results

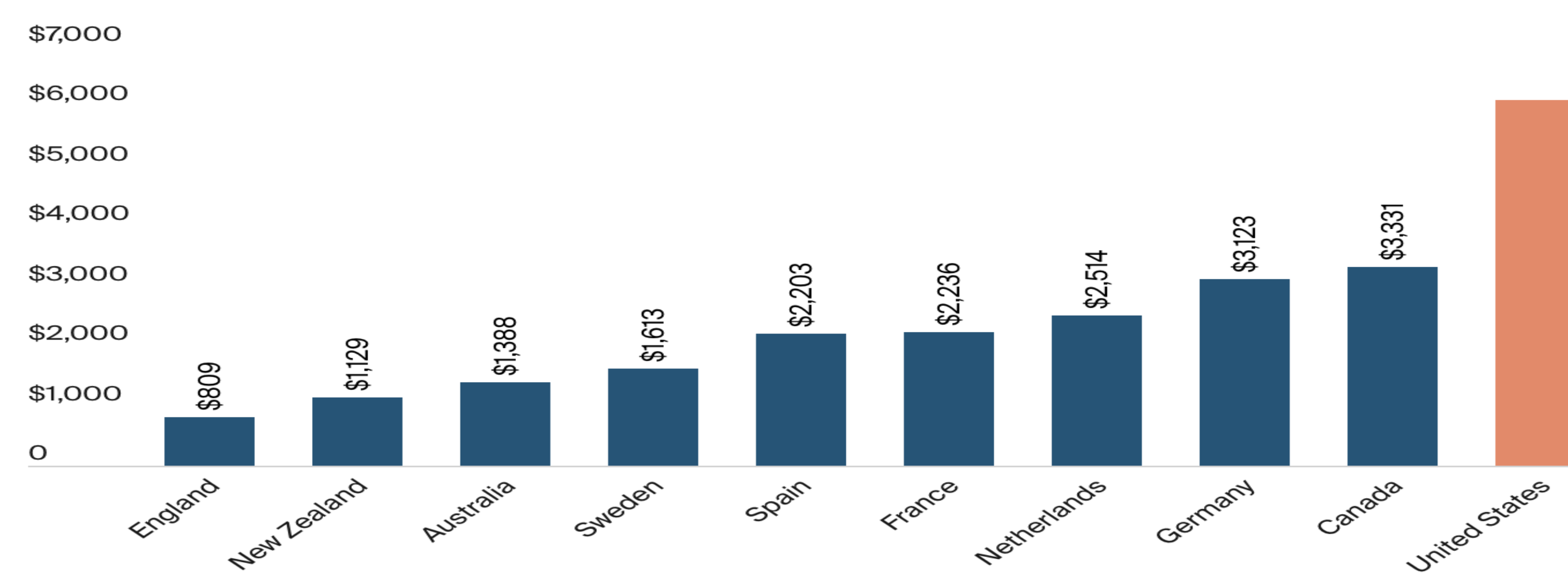
Approximately 24 million beneficiaries enrolled in Medicare Part D
Over 50% of drugs covered by Medicare Part D increased in price that outpaced inflation
Out of 25 most commonly prescribed drugs covered under Medicare Part D, 22 had increase in prices that outpaced inflation (2018-2019)
Example: Imbruvica cost from 2018 to 2019 increased 10x
Beneficiaries pay between 25-35% of total drug price during initial coverage phase
During coverage gap phase: Beneficiaries pay 25%
Approximately 16.8% of older adults reported cost-related non-adherence to prescription medication
Older, American adults were six times more likely to skip doses due to cost related issues compared to European counterparts
Elderly Americans spent 3.1% of household income on prescription medications

Figure 1
Half of All Drugs Covered by Medicare Part D Had List Price Increases Between 2018 and 2019 Above the Rate of Inflation (1.8%)



NOTE: Includes all drug products listed in the CMS Part D dashboard in both 2018 and 2019. List prices are based on average spending per dosage unit and do not account for rebates. 2018-2019 price changes compared to the increase in the CPI-U between July 2018-July 2019. Estimates do not sum to 100% due to rounding.
SOURCE: KFF analysis of CMS Medicare Part D Drug Spending Dashboard Data and Bureau of Labor Statistics data. • PNG

Average outpatient drug spending for persona of an older adult hospitalized with heart failure and a comorbidity of diabetes



Download data

Data: Adapted from Jose F. Figueroa et al., "International Comparison of Health Spending and Utilization Among People with Complex Multimorbidity," *Health Services Research*, published online Aug. 5, 2021.

Source: Christina Ramsay and Reginald D. Williams II, "Medicare Patients Pay More for Drugs Than Older Adults in Other Countries; Congress Has an Opportunity to Move Forward," *To the Point* (blog), Commonwealth Fund, Oct. 1, 2021. <https://doi.org/10.26099/x2jf-4140>

Discussion

Medicare Part D spending has increased but little change in actual legislation
Strong public support for federal government to address drastic increases in medication prices
Federal government has strongest and largest buying power and can dramatically impact prescription drug cost negotiations

- Allow federal government to negotiate with pharmaceutical companies

Possible Solutions

- Limit the ability of drug manufacturers to increase medication prices that outpace inflation
- Institute maximum prescription drug price for Medicare Part D beneficiaries
- Curb the reach of pharmaceutical lobbies
- Lower beneficiary cost sharing
- Federal government to make arrangement with pharmacy to pay less money for medications that do not meet certain criteria
- Increase transparency related to pharmaceutical prices and lower out of pocket costs
- Require drug manufacturers to provide rebates for drugs with costs that outpaced inflation
- Eliminate Medicare Part D "donut hole"

Limitations and Conclusions

Limitations: Searches performed during rapid reviews may not be as comprehensive and in this case there was only one reviewer. As a result, there may be a limited interpretation of the findings.
Conclusions: The elderly population within the US is greatly affected by increasing prescription drug costs. The high cost of prescription drugs can lead to non-compliance and non-adherence within this population. Changes need to be made on the policy level to ensure this vulnerable community is not jeopardizing their health in order to save money on living expenses.

Acknowledgements

I would like to thank my mentor, Professor T. Benjamin Romney as well as my Capstone professors, Dr. McAna and Dr. Plover and Scott Memorial librarian Abby L. Adameczyk.

References

Available upon request