

Medicare donut hole rebate checks are in the mail

The Los Angeles Times: “Senior citizens who hit the so-called doughnut hole in Medicare’s drug benefit will begin getting \$250 rebate checks in two weeks, the Obama administration announced recently—providing one of the first tangible benefits of the recently enacted health care law. The rebates, designed in part to bolster support for the controversial law, are the first steps in a decade-long phase-out of the unpopular gap in Medicare Part D drug coverage. Seniors now enrolled in a Medicare Part D plan pay 25 percent of the cost of their prescription drugs until the total bill reaches \$2,830. At that point, enrollees must pay the full cost of their prescriptions until their total out-of-pocket spending reaches \$4,550. Catastrophic coverage then kicks in and enrollees pay 5 percent of drug costs for the rest of the year. Department of Health and Human Services officials said that the first 80,000

seniors who hit that coverage gap, or ‘doughnut hole,’ will be sent checks on June 10, five days before the deadline” (Levey, 5/27).

NPR’s SHOTS blog: “Checks will then go out every 30 days or so after that. By year’s end, an estimated four million beneficiaries will get them. The rebates are a one-time benefit. Starting next year, beneficiaries will get a 50 percent discount on brand-name medications once they reach the coverage gap. Within a decade the gap will be closed altogether. ... At a news conference on implementation efforts on the new health law, however, [HHS Secretary Kathleen] Sebelius warned that seniors not only need to do nothing in order to receive the rebate checks—they should do nothing” (Rovner, 5/27).

Kaiser Health News

CVS to buy more than 200 independent pharmacies annually nationwide

CVS Caremark Corp., which owns more than 40 Longs Drug Stores in Hawaii, said it plans to purchase about 200 independent pharmacies a year nationwide to increase market share. Those outlets would be folded into CVS’s existing store base rather than operated separately, Chief Executive Officer Tom Ryan said at a Sanford C. Bernstein & Co. investor conference in New York. CVS, the second-biggest U.S. drugstore chain, has expanded through acquisition since at least 1993, including the

2008 purchase of Longs Drug Stores Corp., which added 521 outlets.

The Honolulu Advertiser



North Dakota
INSURANCE
DEPARTMENT
PROTECTING THE PUBLIC GOOD
PRESCRIPTION CONNECTION

■ Dear friends,

This newsletter is designed to keep you up to date about the Prescription Connection for North Dakota program and to keep you in the know about the various prescription assistance programs that are available. From time to time, we may also include other items of interest related to Medicare and the State Health Insurance Counseling (SHIC) program.

As always, thank you so much for all that you do for the Prescription

Connection program. Without your help, our work would be that much harder. Your efforts are valued and appreciated.

If you have items of interest that you think should be included in this newsletter, we would love to hear about them. Please contact Sharon St. Aubin at sstaubin@nd.gov or call her at 1.888.575.6611.



Adam Hamm
Insurance Commissioner

Medigap plan changes

Dear Marci,

I know that some Medigap plans are being discontinued beginning June 1, 2010. My plan is one of the plans that will no longer be sold after June 1, 2010. I currently have Plan E. Do I need to switch plans?

—Bruce (Hanover, New Hampshire)

Dear Bruce,

Medigap plans E, H, I, J and high deductible J will no longer be sold after June 1, 2010. If you have one of these plans, you do not need to switch your plan. You will continue to be able to renew your plan if you bought it after July 31, 1992.

In general, if you are happy with your plan, you should stay with it. If you do choose to switch,

make sure that you get unbiased advice to ensure that the new plan is a better value for you.

Remember that insurers are not required to sell you the new plans if you are outside of a time when you have the right to buy a Medigap. Click here to see when you have the right to buy a Medigap if you are age 65 or older. Click here to see if you have the right to buy a Medigap if you are under age 65. If you choose to buy a plan outside of a time when you have a right to buy a Medigap, a plan may refuse to sell you a plan. The plan may also charge you a higher price or make you wait before covering pre-existing conditions.

Dear Marci, Medicare Rights Center

More info on the \$250 rebate checks

Q: Who will send the checks? What will the return address on the checks be?

A: The \$250 checks will be mailed by the Department of Health and Human Services (HHS), and the HHS logo will be clearly displayed on the envelope. It will also include Medicare's 1-800 toll-free number in case Medicare beneficiaries have any

questions. It should be noted that the checks will be mailed by one of Medicare's contractors. The envelope will include the contractor's Wisconsin address in case any checks are returned for follow-up.

National Association of State Units on Aging

Exercise for older adults

Have you been thinking about starting an exercise routine in your schedule? Before you start, you may want to look at the following link:

<http://nihseniorhealth.gov/exerciseforolderadults/benefitsofexercise/02.html>

This link leads you to eight additional categories with lots of easy information to use. These categories include Benefits of Exercise, How to Get Started, Exercises to Try, How to Stay Active, Frequently Asked Questions, Videos, Medline Plus for More Information and a Printer-Friendly Version.

If you don't use a computer, ask your friends and relatives to help you connect to this fun resource. Start exercising today.



Health tip

When you see a new doctor, or a doctor you have not seen in a while, he or she may ask you lots of questions about your health history. There is no reason that you have to commit all the details of your health history to memory. You can keep a health journal of your important health information to bring along with you. Such a journal is helpful not only for doctor's visits, but also for your own knowledge.

Here are some tips from the American Academy of Family Physicians about information that might be helpful to include in your journal.

- Diseases or illnesses that have affected members of your immediate family
- All prescriptions, vitamins and over-the-counter medications that you take and the dosages

- Any allergies you have, including seasonal allergies, food allergies and medication allergies
- Any past surgeries or hospitalizations
- Any injuries or illnesses for which you have been treated

Editor's note: Prescription Connection and SHIC have wallet-sized health record booklets. They are easy to complete and just the right size to tuck into a purse or wallet so the information is available when you visit your doctor. If you would like a free health record, call Sharon at 1-888-575-6611.

SHIP Navigator e-NEWSLETTER

Charity programs that help pay prescription drug plan copays

Some charities pay a portion or the cost of your Medicare prescription copays. These programs are also available to people who are not enrolled in a Medicare drug plan. A complete list is available at <http://bit.ly/cuIStl>.

Please note there is a printable version of the chart available at the site.

www.medicareinteractive.org

New treatments needed to alleviate growing burden of Alzheimer's disease

Developing new, more effective treatments for Alzheimer's disease is a high priority for biopharmaceutical companies, physicians and the patients and families struggling with the degenerative neurological disease. Current medicines offer important tools for treating Alzheimer's, but more effective treatments are needed to alleviate the growing burden of this disease.

A new report from the Alzheimer's Association puts the need for more research and new treatments into stark economic terms.

The study finds that on our current trajectory Alzheimer's disease (AD) in adults over 65 will cost \$1 trillion per year by 2050 and a total of \$20 trillion in the next 40 years. Medicare spending on AD will rise 600 percent while costs to Medicaid, other payers and patients will each rise 400 percent. The number of patients with AD will increase from 5.1 million today to 13.5 million in 2050.

New disease-modifying treatments could change that trajectory, though. A new treatment that delays the onset of disease by 5 years would push back the growth of new cases reducing the number of people with the disease by 43 percent and saving \$447 billion a year by 2050. A treatment that slows the progression of AD by 5 years would reduce the number of people in the severe stage of the disease by over 80 percent and save \$197 billion a year by 2050.

The study included medical costs to Medicare, Medicaid, private payers, and patients, but did not account for the additional burden on family caregivers and the cost of lost productivity, so the full societal benefits of effective treatments would be even higher.

The human and economic toll of Alzheimer's is staggering and new treatments are crucial for managing that burden. However, developing those treatments is extremely challenging. In March of this year, the failure of one investigational treatment for Alzheimer's in late-stage clinical



trials underscored these challenges. The medicine, latrepirdine (Dimebon) was considered to be “one of the world's best hopes” for treating AD based on promising phase 2 studies which suggested the drug could improve patients' functioning for 3 times longer than existing treatments. But when the medicine reached larger, phase 3 trials, it showed no effect after 6 months and the trials were halted.

The failure of latrepirdine illustrates the challenge of discovering new medicines. It takes 10–15 years and \$1.3 billion to develop a new drug and clinical trials for medicines to treat central nervous system disorders such as Alzheimer's are among the most complex.

Despite such setbacks research continues. Today there are currently 66 medicines in clinical trials or FDA review for AD. Of the eleven medicines that are in late-stage phase 3 studies, an unprecedented five are disease-modifying drugs which could potentially change the course of the disease. These “interventional drugs” would represent a new generation of AD medicines, unlike the currently available treatments which are only able to treat the symptoms of the disease.

Although the R&D process is highly uncertain even for drugs in late stages of development, many experts believe that new disease-modifying Alzheimer's drugs may reach patients within five years. These medicines do not yet reach the ultimate goal of curing or preventing AD, but they would be an important step towards changing the current trajectory and dramatically reducing costs and suffering.

COLCRYS® Patient Assistance Program

For decades, patients with gout or a rare illness known as familial Mediterranean fever (FMF) have relied on a drug called colchicine to treat their conditions. But most patients (along with their physicians and pharmacists) were unaware that the colchicine product they were using had never been approved by the U.S. Food and Drug Administration (FDA).

Colchicine is one of several hundred drugs that pre-dates the establishment of the FDA, and thus had never undergone a regulatory review as a single ingredient product to determine safety and efficacy. The lack of scientifically rigorous information on colchicine presented significant challenges. Most physicians relied on outdated, anecdotal evidence and inaccurate prescribing information for guidance on how to dose colchicine. As a result, patients were receiving high doses of colchicine that were medically unnecessary and almost invariably toxic. Nearly all patients taking colchicine experienced significant adverse events, including serious gastrointestinal illness and diarrhea. Of even greater concern was that the FDA had reported 169 deaths associated with the use of unapproved colchicine.

In 2006, the FDA announced its intent to bring unapproved drugs under its regulatory framework, and requested that manufacturers conduct the necessary safety and efficacy studies and submit New Drug Applications (NDAs) for these drugs. URL Pharma, a Philadelphia-based pharmaceutical company, conducted a total of 17 clinical trials on colchicine. These trials provided the first evidence-based dosing guidance for colchicine, and discovered previously unknown and potentially fatal interactions from administering colchicine with a number of commonly prescribed medications, including certain antibiotics and antihypertensives.

Closing the coverage gap

Closing the coverage gap is an important part of the Patient Protection and Affordable Care Act of 2010, (the Affordable Care Act) signed by President Obama earlier this year, beginning with a one-time check for \$250 in 2010 for those that reach the donut hole in 2010 and are not eligible for

Based on these findings, the FDA approved Colcris in 2009 for the prevention and treatment of acute gout flares and for FMF. Responding to cost concerns among some patients and physicians, the company launched an expanded Colcris Patient Assistance Program (PAP) in 2010, enabling patients across a broader range of income levels to access Colcris at no or low cost. Under the program, uninsured or Medicare Part D patients with household incomes of up to three times the federal poverty level (for example, up to \$66,000 per year for a family of four) may obtain Colcris free of charge. Uninsured or Medicare Part D patients with household incomes between three and four times the federal poverty level (up to \$88,000 per year for a family of four) may obtain Colcris for \$5 per month. Uninsured or Medicare Part D patients with household incomes between four and six times the federal poverty level (up to \$132,000 per year for a family of four) may obtain Colcris for \$25 per month.

“We have worked closely with physicians and patients to ensure this program meets the needs of those with gout and FMF,” said Richard H. Roberts, MD, PhD., President, CEO and Chairman of URL Pharma. “Patients now have the assurance of receiving an FDA-approved colchicine, and it’s critically important that anyone who can benefit from a drug like Colcris should be able to obtain it with minimal financial barriers to access.”

Patients can learn more and sign up for the program by visiting www.needymeds.org or www.colcris.com, or by calling 1-888-811-8423 from 8 a.m. to 6 p.m. Eastern Time, Monday through Friday.

Patient Advocate News

low-income assistance, the 50 percent discount for brand-name and some authorized generic drugs beginning in 2011 and additional savings until drugs are covered throughout the coverage gap by 2020.

ENBREL support card

The ENBREL Support™ card provides financial support to eligible commercially insured patients when presented to the pharmacy.

For all eligible patients, the ENBREL Support™ card program may offer:

- 6 months at no out-of-pocket cost to you
- \$10 or less out-of-pocket per month thereafter
- Support for your ENBREL co-pay or co-insurance and prescription deductible

Your participation in the program may be renewed every 12 months by visiting EnbrelSupport.com or

calling 1-888-4ENBREL.

ENBREL is an injectable prescription medication that treats moderate to severe rheumatoid arthritis, adult chronic moderate to severe plaque psoriasis, psoriatic arthritis, ankylosing spondylitis and moderate to severe juvenile idiopathic arthritis. ENBREL is not for everyone. Serious side effects are possible. Make sure you read and understand the important safety information and indications for ENBREL.

CMS

Weight-loss drugs and risk of liver failure

People who take Xenical or Alli need to be aware of the rare occurrence of severe liver injury reported in some individuals who take these weight-loss drugs.

[Click here for more information.](#)

FDA

Medicare reminder

How you pay your doctor depends on your doctor and on whether he or she accepts assignment. If your doctor accepts assignment, he or she can ask you to pay only the 20 percent coinsurance (45 percent for mental health services) up front (and your Part B deductible if you have not yet reached it—\$155 in 2010).

If your doctor does NOT accept assignment, your doctor may ask you to pay the full amount for services in advance and charge you up to 15 percent more than Medicare's approved amount under federal law. Some states have stricter limits on what your doctor can charge you.

Medicare Watch

Thank you, JoAnn Arnold



JoAnn Arnold, program assistant, retired June 30, 2010. She was an integral part of the creation and continued success of the Prescription Connection program.

The Insurance Department thanks JoAnn for her years of dedicated service and wishes her well in her retirement.

I have passed through many different types of seasons in my life and now find myself at the season of retirement. This decision has not been easy as I look back with fondness to many pleasant memories.

However, I am anxious to enter a new phase of exploration and learning, which will carry me out of the office setting. My last day at work will be June 30, 2010.

~JoAnn