Adverse Impact of Cost Sharing on Specialty Drug Use in Medicare Part D Beneficiaries

A growing body of research examines the impact of high cost sharing on Part D beneficiaries’ access and adherence to needed treatments, especially those placed on the specialty tier. In 2015, all stand-alone Part D plans had a designated specialty tier where beneficiaries who do not receive low-income subsidies (LIS) can face as much as 33 percent coinsurance.

For patients with chronic myeloid leukemia, high cost sharing was associated with reduced and/or delayed initiation of treatment.

- Part D enrollees newly diagnosed with chronic myeloid leukemia (CML) who were not receiving low-income subsidies faced mean out-of-pocket costs of $2600 or more for their first 30-day tyrosine kinase inhibitor (TKI) prescription.
- Patients facing high cost sharing had substantially lower TKI initiation rates within 6 months of CML diagnosis and took nearly twice as long to initiate TKI treatment in comparison to Part D enrollees receiving low-income subsidies who faced nominal out-of-pocket costs.

For patients with psoriasis, high cost sharing was associated with low adherence and high discontinuation.

- Slightly more than a third (38%) of Part D enrollees with psoriasis were adherent and nearly half (46%) of Part D enrollees with psoriasis discontinued biologic treatment within 12 months of initiation.
- Beneficiaries not receiving low-income subsidies who faced high cost sharing were less likely to be adherent and nearly twice as likely to discontinue treatment compared to beneficiaries receiving low-income subsidies through Part D.

For patients with rheumatoid arthritis, high cost sharing was associated with interruptions in treatment.

- Among patients who were using Part D biologics in the prior year, those facing high cost sharing ($484 per 30-day supply) were less likely to use Part D biologics as compared to those receiving low-income subsidies.
- When patients did fill Part D biologics, the high cost sharing group had twice the odds of experiencing an interruption in biologic treatment (gap of more than 30 days) during the period of high cost sharing as compared to those receiving low-income subsidies.

High cost sharing for drugs on the specialty tier under Medicare Part D may place patients at risk of compromised treatment outcomes due to reduced/delayed initiation, poor adherence, high discontinuation and/or interruptions in needed treatments.

**Sources:**