Prescription Drug Coverage and Access among New Jersey Seniors after Implementation of Medicare Part D

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Background
- Medicare Part D, established in 2006, provides prescription drug coverage for Medicare beneficiaries.
- The average Part D premium has risen 37% from 2006 to 2011.
- Further, most beneficiaries faced substantial cost-sharing which may decrease as the Affordable Care Act begins to close the Part D "doughnut hole".
- Previous research demonstrates that high levels of prescription drug coverage for Medicare seniors after implementation of Medicare Part D was associated with:
  - 1. In the near-elderly population aged 50-64 years as a control group for examining changes within the elderly population between 2001 and 2006.
  - Logistic regressions model changes in coverage and access problems due to implementation of Part D, adjusting for patient characteristics.
  - Estimation accounts for complex survey design using STATA 10; Incom process in STATA calculates effect sizes and their interaction terms.

Key Variables
- Coverage: Prescription drug coverage based on modified questions from the National Survey of America’s Families to identify areas of coverage.
- Problems in accessing prescription drugs: yes to either question for the sampled individual
  - 1. Was there a time when you (or someone in your family) didn’t get or delayed getting a prescription because it cost too much?
  - 2. During the past 12 months have you (or someone in your family) taken a loss of a prescribed medicine to make the prescription last longer?
- Sociodemographics: Family poverty level, gender, age, race/ethnicity.
- Serious or morbid symptoms: indication of need to seek medical care.

Study Objectives
- Examine among New Jersey seniors, whether the implementation of Medicare Part D was associated with:
  - 1. Increase in prescription drug coverage
  - 2. Changes in prescription drug access problems
- We specifically focus on racial disparities in prescription drug access subsequent to this expansion in public coverage.

Methods
- We use the ‘near-elderly’ population aged 50-64 years as a control group for examining changes within the elderly population between 2001 and 2006.
- Logistic regressions model changes in coverage and access problems due to implementation of Part D, adjusting for patient characteristics.
- Estimation accounts for complex survey design using STATA 10; Incom process in STATA calculates effect sizes and their interaction terms.

Data
- New Jersey Family Health Survey: 2001 & 2009
- Designed to provide population-based estimates of health care coverage, access, and other health information for New Jersey households.
- Telephone interviews with the adult most knowledgeable about family health and health care needs.
- Conducted by the Rutgers Center for State Health Policy and funded by the Robert Wood Johnson Foundation.
- Study Sample:

<table>
<thead>
<tr>
<th>Study Year</th>
<th>n=756;</th>
<th>n=1,754;</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1,155,302</td>
<td>1,649,176</td>
</tr>
<tr>
<td>2009</td>
<td>1,093,008</td>
<td>1,085,392</td>
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Results

- The odds of having coverage increased in 2009

<table>
<thead>
<tr>
<th>Ratio of Observed to Expected</th>
<th>2001</th>
<th>2009</th>
</tr>
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<tbody>
<tr>
<td>OR=1.40</td>
<td>1.21</td>
<td>1.40</td>
</tr>
<tr>
<td>OR=2.35</td>
<td>1.82</td>
<td>2.42</td>
</tr>
</tbody>
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- The adjusted odds of having prescription drug insurance in 2009 (relative to 2001) was higher for the elderly population (OR=2.42, p<0.01) than the near-elderly population (OR=1.23, p<0.05).
- The OR for the elderly was thus 1.96 (p<0.02) higher than near-elderly.
- Higher income or presence of serious/morbid symptom increased likelihood of coverage.

- Percentage of elderly population facing access problems increased from 2001 to 2009 (7% to 11%).
- Among people with access problems, the proportion without prescription insurance was lower in 2009 compared to 2001 for each of the two groups.
- Majority of this elderly population in 2009 had public insurance for prescription coverage.
- A senior in 2009 with access problems was more likely to be publicly insured (nx) than uninsured.

Racial Disparities in Access to Prescription Drugs

- Do minorities within the elderly New Jersey population face higher rates of access problems?
- In unadjusted analysis, both blacks and Hispanics had higher odds of prescription drug access problems in 2001 (OR=3.3, 3.0) and 2009 (OR=3.8, 4.3) compared to whites.
- Even within seniors who did not report facing access problems to medical and surgical care, significantly higher prescription drug access problems existed for blacks (OR=2.92) and Hispanics (OR=4.77).

- Minority faced higher access problems in 2009 and 2007

Access problems higher among seniors with coverage

- Mostly, coverage reduces the likelihood of access problems; a notable exception is the elderly population in 2009.
- Seniors with coverage had higher rates of access problems compared to those without coverage (13% v 4%).
- Suggests selection effect. Medicare beneficiaries needing prescription drugs may be more likely to enroll in Part D.
- Uninsured beneficiaries who did not enroll probably had very limited demand for prescription drugs. They were thus less likely to face access problems.

Discussion

- While the implementation of Medicare Part D has increased prescription drug coverage within elderly population, there is evidence of significant access problems.
- The percentage of seniors with access problems is higher in 2009, likely due to the high cost-sharing in the standard benefit structure for Part D plans.
- It is of considerable concern that even three years into the implementation, its benefits have not reached some racial groups.
- In 2009, as in 2001, elderly black and Hispanic populations continue to face higher access problems relative to the elderly white population.
- The phaseout of the “doughnut hole” may address some of the cost related barriers faced by minority populations.