



PHPC

Public Hospital Pharmacy Coalition

www.phpcrx.org

(A Coalition of the National Association of Public Hospitals and Health Systems)

News Release
January 24, 2006

Contact: Perry Knight
(202) 349-4271
perry.knight@phpcrx.org

Providers Ask Manufacturers Not to Abandon Drug Programs for Seniors

Medicare Drug Benefit Could Leave Some Patients Behind, Patient Advocates Say

[Washington, DC] – A group of nine national and regional organizations dedicated to serving low-income and uninsured patients are urging pharmaceutical manufacturers not to abandon their free and discounted drug programs for low-income seniors and to explore ways to continue assisting this population after the implementation of the Medicare Part D drug benefit.

For more than a decade, drug manufacturers have sponsored patient assistance programs (PAPs) that offer assistance to low-income seniors and other vulnerable populations in the form of free and discounted drugs. However, with the commencement of the new Medicare drug benefit, some manufacturers have chosen to discontinue their PAP programs for seniors because of the coverage available to them under Part D as well as new legal guidance from the Department of Health and Human Service's Office of the Inspector General.

In a letter sent to 14 of the world's largest drug companies, the group argues that completely eliminating these programs could have drastic implications for low-income seniors, many of whom have historically relied on PAPs and would have difficulty paying for their drugs even with Part D coverage. For instance, a Part D enrollee with an income as low as \$14,355 could be required to pay an average premium of \$35 per month in addition to a \$250 annual deductible and 25% of her drug costs upon entering the program.

"We have significant concerns about the impact of Medicare Part D on Medicare beneficiaries between 150% and 200% of the Federal Poverty Level, many of whom are currently receiving assistance from PAPs," the letter states. "Under Part D, these beneficiaries will be responsible for the full cost-sharing responsibilities, and we fear many may simply be unable to afford Part D coverage."

The letter also encourages manufacturers to allow low-income seniors who are not currently enrolled in Part D to continue accessing PAP programs at least until the end of the Part D open enrollment period to ensure that these individuals are not left without any form of assistance.

"We look forward to working with your company to identify and plan for creative, legally sound, and effective ways to help vulnerable Medicare beneficiaries who might otherwise be left behind when Part D takes effect," the letter states.

The signatories on the letter include the Public Hospital Pharmacy Coalition, the National Association of Community Health Centers, Volunteers in Health Care, the National Association of Free Clinics, Medicine for People in Need, the Association of Clinicians for the Underserved, Senior PHARMAssist, MedBank of Maryland, and the Free Clinics of the Great Lakes Region.



NATIONAL ASSOCIATION OF PUBLIC HOSPITALS AND HEALTH SYSTEMS
1301 Pennsylvania Avenue, NW Suite 950, Washington, DC 20004, 202-585-0100, FAX 202-585-0101, www.naph.org
PHPC Counsel: Powers, Pyles, Sutter & Verville PC, 1875 Eye Street, NW, 12th Floor, Washington, DC 20006,
202-466-6550, FAX 202-785-1756, www.ppsv.com