



**Coordinating Patient Assistance Programs with Medicare Part D:
A Manufacturer's Perspective
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Background

- Over the past 28 years, AstraZeneca has worked hard to better understand the needs of patients and the health care system so that our programs can make a difference.
- AstraZeneca offers a variety of patient assistance programs: AstraZeneca Foundation PAP, Caring Partners Program, Together Rx Access and PPARx.
- As a result, in 2005, through the AstraZeneca patient assistance programs, we provided more than \$751 million in savings to more than 712,000 patients without drug coverage throughout the US and Puerto Rico.

Value of Medicare Part D

- Coverage for both brand name and generic prescription medicines.
- A *choice* of prescription plans that offer savings on a variety of prescription medicines right at the pharmacy counter or through a mail-order pharmacy.
- People with limited incomes who qualify for extra help have continuous drug coverage and pay only a small amount for each prescription.
- Coverage for future medication needs and protection against increased drug costs.

Value of Medicare Part D

- Beneficiaries who had limited or no drug coverage prior to '06 – nearly 21 million people – now have access to multiple medicines through Part D
- According to the Kaiser Family Foundation, most beneficiaries will save money by using the Part D benefit
 - Approx. 64% of beneficiaries are expected to reduce out-of-pocket spending by an average of \$919 (excluding premiums)

Patient Assistance in Part D: Who May Need It?

- Low-income populations (<150% FPL) that do not qualify for extra help due to assets and do not qualify for other assistance that counts towards TrOOP
- Approx. 13.2 million Part D estimated enrollees below 250% FPL expected not to receive the low-income subsidies
- About 4.3 million of those are expected to reach the Part D initial coverage limit
- About 40% of the population that reaches initial coverage limit, or 1.7 million, are expected to reach catastrophic coverage

Variety of Factors to Consider

- Recent surveys report most patients pleased with the benefit/savings
- Part D plan designs and pharmacist incentives heavily favor generic utilization for patients who experience cost challenges
- Recent OIG opinion created an opportunity for manufacturers to reassess their views on Part D enrollees participating in traditional PAPs
- CMS comments and guidance is supportive of manufacturer efforts to help Part D enrollees

AstraZeneca Offerings in Support of Part D

- Broad access philosophy to Medicare contracting
- Industry leading Medicare Part D Education and Outreach
- Enhanced PAP program for patients
 - Supporting LIS enrollment
 - Offering choice for low-income patients who choose not to enroll
 - Interim assistance for those enrolled in Part D experiencing financial challenges
- Developing assistance solution that works at the pharmacy

AstraZeneca Approach to Patient Assistance

- Provide a more meaningful patient experience for all program enrollees
- For Medicare eligible patient
 - Focus on the near-term, but create options that allow us the flexibility to adjust the process
 - Provide substantive assistance to help the patient through the Part D transition process
 - Take particular care of our existing patient population
- Develop sustainable solutions

AstraZeneca PAP Enhancements

- Expand PAP FPL to 250%
 - Individual = \$24,500
 - Couple = \$33,000
 - Family of four = \$50,000
- Streamline application process
- Expand temporary enrollment
- Provide case management services for all patients

- Apply a three-pronged approach for Medicare eligible patient assistance as an interim solution

LIS-eligibles

- Develop a front-end interface for PAP to case manage LIS-eligibles through the SSA process

Part D Non-Enrollees

- Allow those that are NOT eligible for LIS and that have NOT enrolled in Part D to continue to use PAP

Part D Enrollees

- Allow those that are enrolled in Part D and experiencing a financial challenge in affording their medicine to use PAP on an interim basis

Exploring Viable Long-Term Solutions

- AstraZeneca exploring our ability to offer a pharmacy-based model for patient assistance
 - Pharmacy counter is where many will experience a financial burden that prevents them from getting their medicines
- We also have been working with other companies on a potential multi-company approach that works at the pharmacy counter