

The Pharmaceutical Industry's Perspective on Medicare's New Prescription Drug Benefit

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AstraZeneca believes
discovering, developing
and marketing good
medicines isn't good
enough if patients can't get
them

MMA Delivers Real Value to Millions

- The addition of prescription drug coverage is the most significant change to U.S. healthcare since the introduction of Medicare
- The pieces are coming together for a robust market, with plans, pharmacists, and the pharmaceutical industry stepping up
- AstraZeneca is committed to the success of Part D

•2005 FPL Guidelines: \$14,355 for single, \$19,245 for couple

•** PWC, Impact of Medicare Rx Drug Benefit on Non-Federal Beneficiaries, CY 2006, August 2005.

Our Guiding Principle

The purpose of MMA is to provide a quality drug plan to Medicare beneficiaries that preserves access and choice and rewards innovative therapies

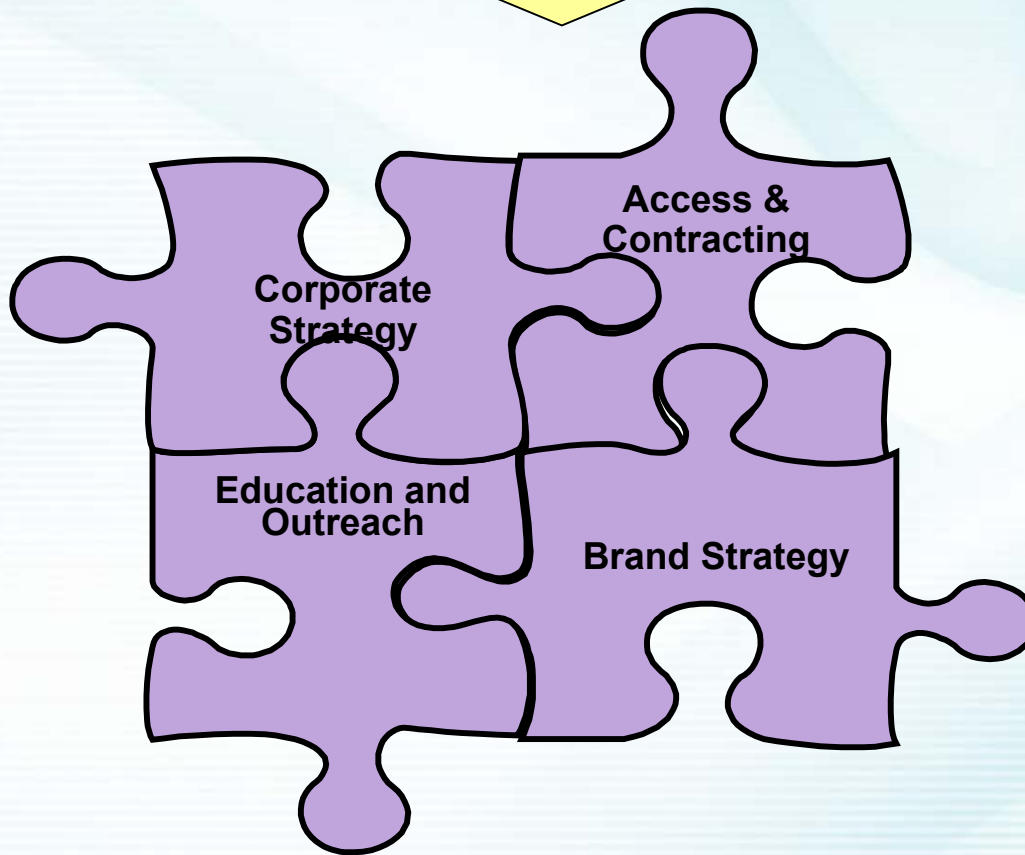
AstraZeneca is Committed to:

- The **private market design** of Medicare Part D
- Supporting consumers having a **choice** of pharmacy benefit providers and benefit designs
- Ensuring all Medicare beneficiaries have **access** to the appropriate pharmaceutical products
- Establishing effective **partnerships** to provide education outreach to beneficiaries

A Commitment to Medicare Part D Success

Beneficiary satisfaction = Primary Measure of Success

AstraZeneca Approach



How did AstraZeneca Approach Medicare Part D?

- Assess the regulations for an understanding of the “playing field”
- Develop appropriate resourcing to support the formation of new market, looking broader than Medicare/CMS as payer
- Developed and implemented multi-disciplined and comprehensive strategy

Powerful Range of Innovative Products for Key Areas of Unmet Need

Cardiovascular

Neuroscience

Gastrointestinal

Oncology

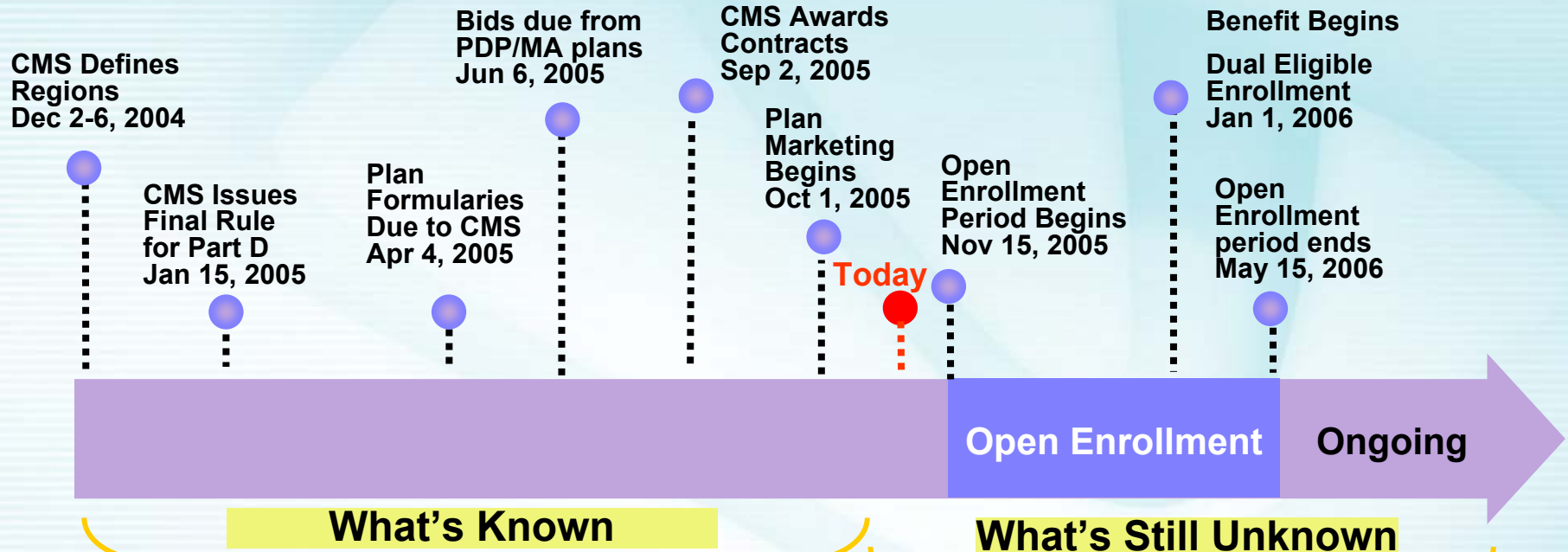
Infection

Respiratory
Inflammation

Access and Contracting Approach

- Started with answering a series of questions...
 - What do beneficiaries want?
 - What do our customers expect/want?
 - What result do we want?
 - How much time do we have?
 - How many customers do we have to interact with and at what level?
- How do we approach the market
 - Promoting broad access and choice
 - Quality of care on equal footing with cost
 - With patience (It's the first time for everyone.)

Part D Implementation Timeline



- What's Known**
- Who Approved Plans Are
 - Benefit Design Elements (e.g. Premium Amount, Copay Structure)
 - Dual Eligible Designated Plans

- What's Still Unknown**
- Some Specific Plan Benefit Elements (e.g. Formulary)
 - Which Plans Will Be Marketed
 - Level of Overall Enrollment
 - Which Plans Receive Enrollees
 - Employer Based Retiree Coverage Levels

*Notice of 2006 rate methodology and assumptions; public may comment

**Estimated date of contract awards for 2006 (final date TBA by CMS)

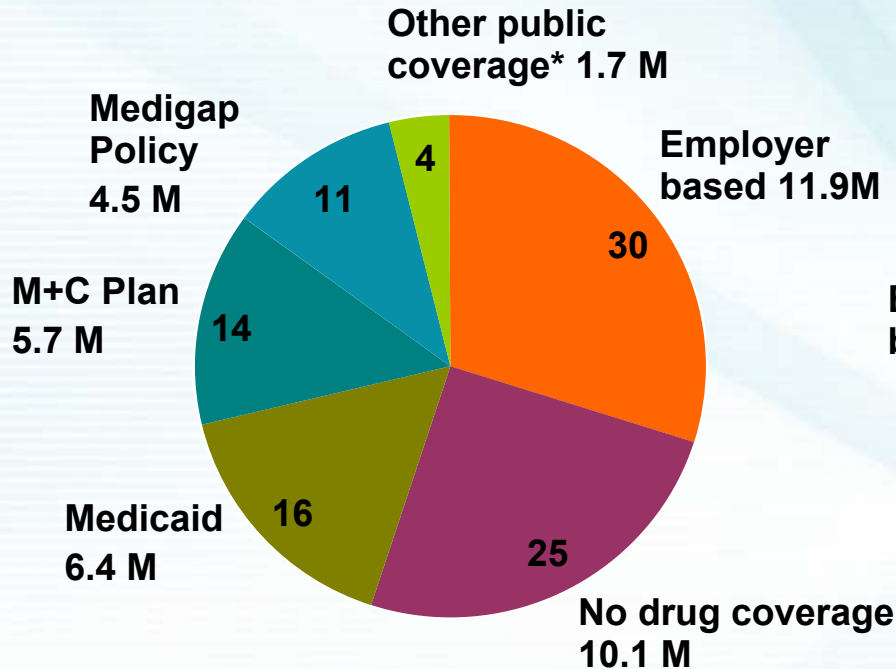
Source: Avalere Health; Kaiser Family Foundation & Medicare Program Office

**Include video clip focusing
on need here**

Part D: Providing Pharmacy Benefits for Seniors in Need

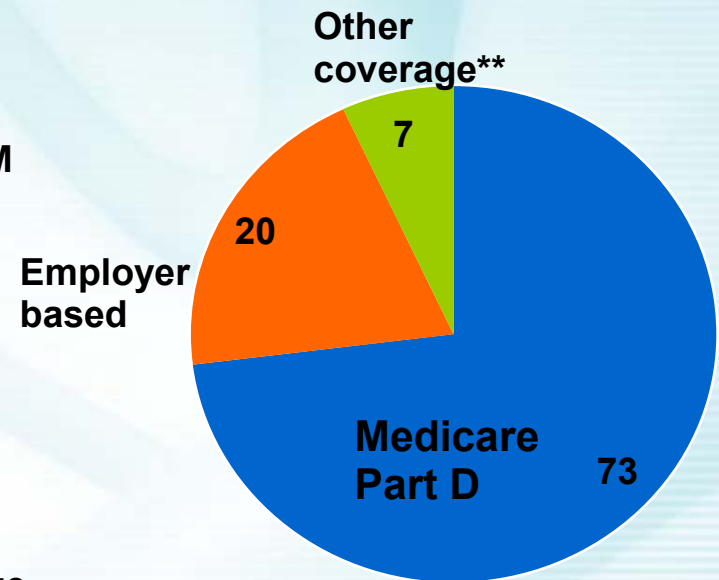
Before Part D

Medicare Beneficiaries Prescription Drug Coverage – 1999
Total=40.3M



After Part D

Medicare Beneficiaries Prescription Drug Coverage – 2006-13 (average)



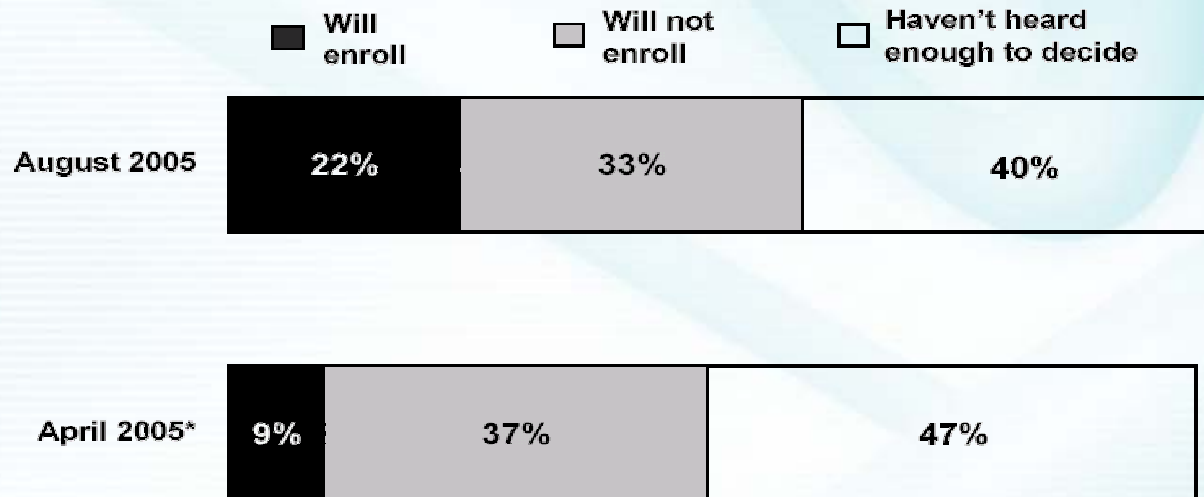
* State-sponsored pharmaceutical assistance programs, VA, DoD, or M+C non-risk contracts.

** Other coverage includes seniors choosing other supplemental options or opting out of drug coverage

Intent to Enroll in Part D is Increasing...

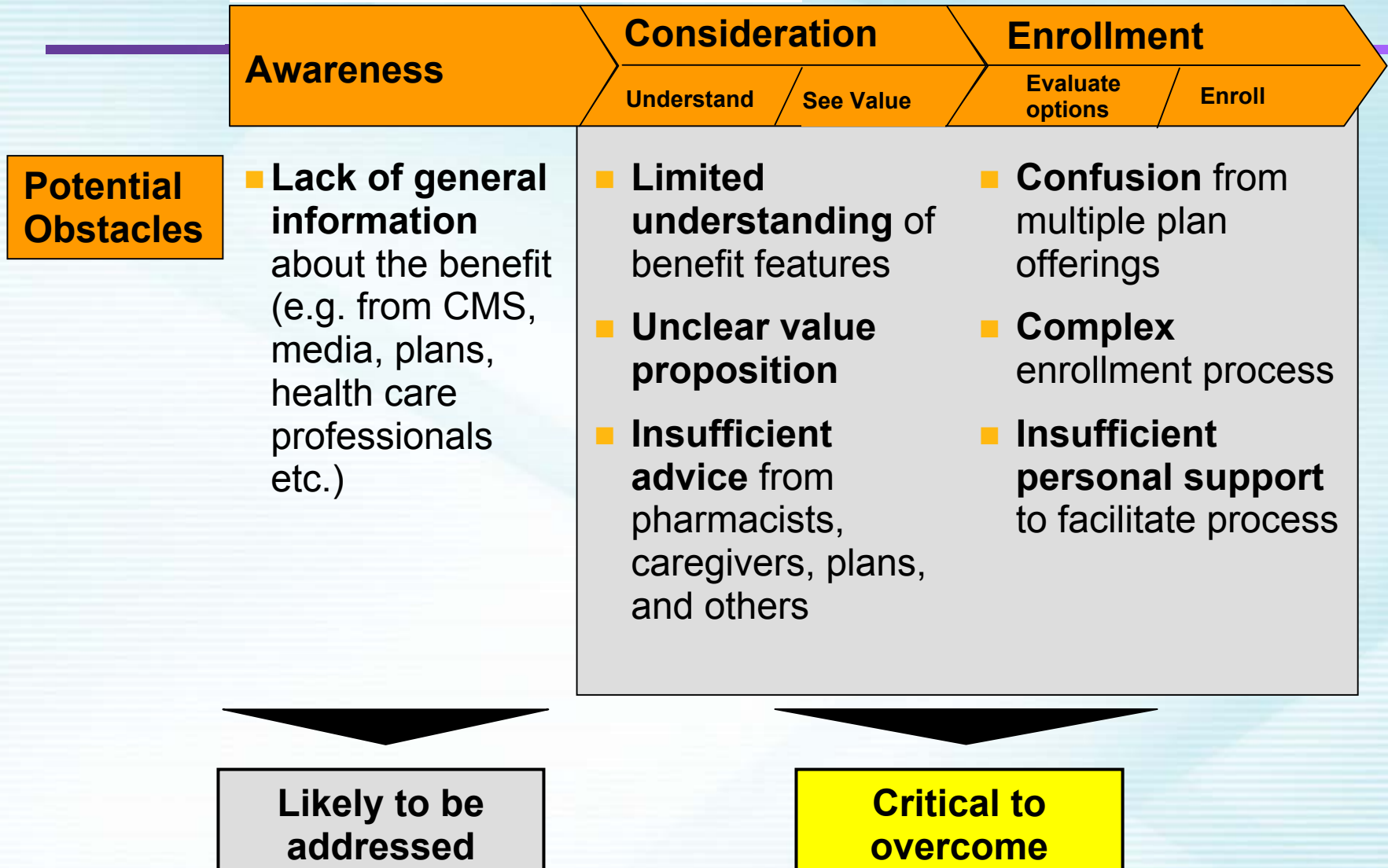
Seniors' Reported Plans for Enrollment in Benefit

Asked of seniors: Thinking ahead to 2006 – when the new Medicare drug benefit becomes available – do you think you will enroll in a Medicare drug plan, you will not enroll in a Medicare drug plan, or have you not yet heard enough to decide?



... However Enrollment Hurdles Remain

Beneficiary decision making



Comprehensive Outreach Campaign



- “Fill the channel” resources and training for key influencers*
- Internal Part D campaign to educate and train employees to help family, friends and others
- Support local grassroots community events

* Pharmacists, physicians, other healthcare professionals, caregivers & family

Components of AstraZeneca's Outreach Campaign

1 "Fill the channel" resources and training for key sources

- Pharmacist toolkits and "train the trainer" programs
- MedicareRxMatters website
- HCP education
- Dual-eligible enrollment tool

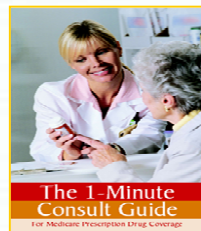


Detailed Scorecard of Dayanara P. Mitchell

Our records show that from April 11, 2005 to July 10, 2005, you have taken 5 prescription medications.

[Printable Version](#)

	Aetna	Humana	Medco	Preferred	Value Plan
CLOVAZEPAM 1MG TABLET	✓	✓	✓	X	X
HYDRAZINE 50MG TABLET	✓	✓	✓	✓	✓
NOVOLIN 700g 100UML VIAL	X	X	✓	X	✓
PREMARIN 0.9MG TABLET	✓	✓	✓	✓	X
VIRED 300MG TABLET	X	X	✓	✓	X
Drug Matches	3	3	5	3	2



2 Internal MedicareRx matters campaign for Family, Friends and Others

- Education
- Best practices
- Medicare resources
- Outreach resources (toolkits)
- Timely updates
- Kick-off meeting



Medicare Rx Matters

Next Steps

- Continued support through private/public partnership to ensure success
 - Education and outreach to close the gap
- Prepare for analysis and assessment of '06 impact and '07 window
- Apply resources to support quality of care and HIT/EMR initiatives

With a Successful Medicare Part D Benefit, Patients Will Have:

- **Choice** of pharmacy benefit providers and benefit designs
- **Flexibility** to move from one plan to another as needs change
- **Access** to the appropriate pharmaceutical products, treatments and therapies
- **Quality** prescription coverage providing the medications and therapies that work for them today and tomorrow