

HealthPolCom Case Study

Explaining and Defending the Medicare Part D Program

Situation: Industry representatives needed help responding to proposals that would have repealed the non-interference provisions of the new Medicare Part D outpatient prescription drug benefit.

Actions: Researched and wrote white papers, talking points, and related materials explaining the substance of Medicare Part D's non-interference provisions in language appropriate for various stakeholder groups. These documents included information about how repealing the provisions would not produce cost savings unless Medicare also created a restrictive national formulary that would limit patients' access to specific medicines. These documents also addressed the mischaracterization of the Department of Veterans Affairs (VA) pharmaceutical procurement and pricing system as "negotiations" between the government and pharmaceutical companies.

Analyzed the proposed set of drug classes and categories developed by the United States Pharmacopeia as guidance for companies developing Part D formularies.

Organized meetings with Veterans advocacy organizations to educate them about how changes to the Medicare Part D program could negatively affect Veterans' health care.

Wrote "Veterans Healthcare Administration - Pharmaceutical Price Control and Rationing System" white paper explaining the relationship between the Medicare Modernization Act and the VA pharmacy system, and presented this paper to a group of economists.

Outcome: Industry representatives used these documents to clearly explain the substance of Medicare Part D's non-interference provisions, and to oppose the legislative repeal of these provisions.

Engaged economists interested in the implications of the MMA to increase their involvement in this policy debate. They were better able to analyze and communicate the economic implications of the legislative proposals because they had a deeper understanding of the implications of the non-interference provisions, how these provisions related to the Veterans Affairs pharmaceutical purchasing system, and how Medicare Part D was a system created to provide drug benefits rather than specific medicines.

Activated Veterans' organizations to become more engaged in opposing the repeal of the non-interference provisions because they understood the risks that this policy could have for the VA healthcare system.