



Part D Plans Generally Include Drugs Commonly Used by Dual Eligibles: 2022

Why OIG Did This Review

Dual eligibles—that is, beneficiaries who are covered by both Medicare and Medicaid—are a vulnerable population whose access to prescription drugs is particularly important. Overall, they have very low incomes and—because they are more likely to be in poorer health than other Medicare beneficiaries—tend to use more Medicare services.¹ Because Medicare prescription drug coverage is an important tool for ensuring access to prescription drugs, Congress mandated that OIG study whether Part D formularies cover prescription drugs commonly used by dual eligibles.²

What OIG Did

For this report, we determined whether the 449 unique formularies used by the 5,288 Part D plans operating in 2022 cover 195 of the 200 drugs most commonly used by dual eligibles. See the methodology for more information about how we determined the most commonly used drugs. This is OIG’s twelfth annually mandated report examining dual eligibles’ access to drugs under Medicare Part D.

Key Takeaway

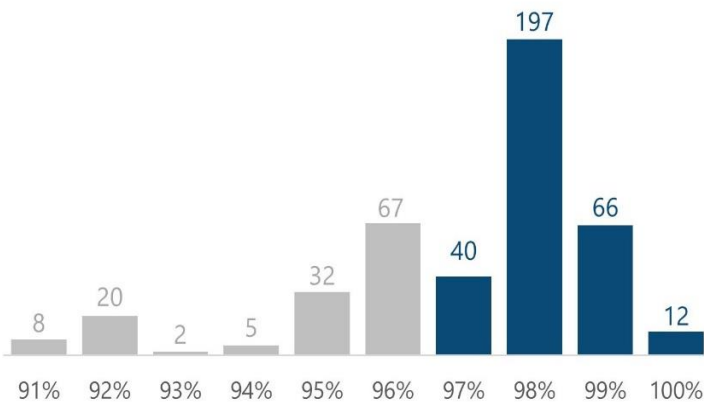
Dual eligibles have access to the majority of commonly used drugs in 2022 via Part D plans. This is consistent with OIG’s findings from previous years. Dual eligibles have several options if their plans do not cover specific drugs; however, these options may be burdensome and do not guarantee access to the drugs.

Results

A majority of the 449 Part D plan formularies **covered almost all (at least 97 percent)** of the drugs most commonly used by dual eligibles.

Regardless of the plan in which they are enrolled, dual eligibles can expect to have access to most drugs.

Number of formularies including percentage of commonly used drugs.



Source: OIG analysis of formulary data, 2022.

Part D plans with premiums below the regional benchmark also covered almost all commonly used drugs.

Similarly, among Part D plans with premiums below the regional benchmark, a majority of formularies (95 of 132) covered at least 97 percent of the drugs commonly used by dual eligibles.





Each year, the Centers for Medicare & Medicaid services (CMS) establishes a premium benchmark for Part D plans that varies by region.³ **It is particularly important that plans with premiums below the regional benchmark have high inclusion rates** for the most commonly used drugs because:

- Dual eligibles do not need to pay additional amounts in premiums for these plans.⁴
- When CMS randomly assigns dual eligibles to Part D plans, it assigns them to plans with premiums below the regional benchmark without considering their specific prescription drug needs.⁵

Results (cont'd)

A small number of drugs were covered by fewer than 75 percent of formularies.

Although formularies frequently omitted eight commonly used drugs in 2022, they all covered alternative drugs in the same respective therapeutic classes, as CMS requires.⁶

Primary Indication	Number of Frequently Omitted Drugs
Diabetes	
Chronic Obstructive Pulmonary Disease	
Gastroesophageal Reflux Disease	
Overactive Bladder, Incontinence	

Source: OIG analysis of formulary data, 2022.

While beneficiaries have **several options** if their formularies do not cover specific drugs, these options require dual eligibles to take administrative actions and do not guarantee that they can get the drugs.



Dual eligibles have up to three chances during the first 9 months of the year to **switch to plans** that cover the prescription drugs they require.⁷



Dual eligibles can use an **exceptions and appeals process** to request coverage of nonformulary drugs by their plans.⁸



Dual eligibles can work with their prescribers to find an **alternative drug** covered by their plans.



Dual eligibles can **pay out of pocket** for the noncovered drugs.

Conclusion

When establishing formularies, Part D plans are permitted to balance Medicare beneficiaries' needs for adequate prescription drug coverage against the need to contain costs for plan sponsors and for the Part D program. Part D plans may omit certain drugs from prescription coverage in order to control costs. However, omitting drugs from coverage can also limit the ability of beneficiaries to access the prescription drugs they need.

In general, dual eligibles have access to nearly all of the most commonly used drugs via their Part D plan formularies in 2022. A majority of these formularies covered almost all commonly used drugs, and only a small number of commonly used drugs were not covered by most formularies. These findings are largely unchanged from OIG's findings reported from 2011 through 2021. Dual eligibles have several options if their formularies do not cover specific drugs, but these options may be burdensome and do not guarantee access to the drugs.

Top 200 Commonly Used Drugs*

Generic Name	Percentage of Formularies Including Drug	Generic Name	Percentage of Formularies Including Drug	Generic Name	Percentage of Formularies Including Drug
Dexlansoprazole	44%	Promethazine Hcl	99%	Rosuvastatin Calcium	100%
Insulin Lispro	45%	Valsartan	99%	Duloxetine Hcl	100%
Umeclidinium Bromide	62%	Nifedipine	100%	Glipizide	100%
Insulin Degludec	64%	Lovastatin	100%	Tramadol Hcl	100%
Insulin Aspart	65%	Tizanidine Hcl	100%	Divalproex Sodium	100%
Insulin Detemir	68%	Fenofibrate	100%	Tamsulosin Hcl	100%
Tiotropium Bromide	69%	Benazepril Hcl	100%	Insulin Glargine,hum.Rec.Anlog	100%
Solifenacin Succinate	75%	Irbesartan	100%	Prednisone	100%
Omega-3 Acid Ethyl Esters	77%	Atorvastatin Calcium	100%	Mirtazapine	100%
Linagliptin	79%	Amlodipine Besylate	100%	Escitalopram Oxalate	100%
Travoprost	82%	Lisinopril	100%	Warfarin Sodium	100%
Nebivolol Hcl	83%	Metformin Hcl	100%	Allopurinol	100%
Sitagliptin Phosphate	85%	Levothyroxine Sodium	100%	Alendronate Sodium	100%
Umeclidinium Brm/Vilanterol Tr	88%	Omeprazole	100%	Citalopram Hydrobromide	100%
Budesonide/Formoterol Fumarate	90%	Gabapentin	100%	Bupropion Hcl	100%
Esomeprazole Magnesium	91%	Furosemide	100%	Diltiazem Hcl	100%
Liraglutide	91%	Losartan Potassium	100%	Fluoxetine Hcl	100%
Linacotide	92%	Metoprolol Succinate	100%	Risperidone	100%
Temazepam	92%	Hydrocodone/Acetaminophen	100%	Oxycodone Hcl/Acetaminophen	100%
Alprazolam	94%	Pantoprazole Sodium	100%	Hydralazine Hcl	100%
Clobetasol Propionate	94%	Nystatin	100%	Diclofenac Sodium	100%
Fluticasone/Vilanterol	94%	Simvastatin	100%	Meloxicam	100%
Dulaglutide	95%	Albuterol Sulfate	100%	Ibuprofen	100%
Olopatadine Hcl	95%	Potassium Chloride	100%	Levetiracetam	100%
Brimonidine Tartrate/Timolol	96%	Hydrochlorothiazide	100%	Cyclobenzaprine Hcl	100%
Hydroxyzine Hcl	96%	Metoprolol Tartrate	100%	Lisinopril/Hydrochlorothiazide	100%
Bimatoprost	96%	Carvedilol	100%	Oxybutynin Chloride	100%
Torseamide	96%	Montelukast Sodium	100%	Lorazepam	100%
Celecoxib	96%	Trazodone Hcl	100%	Losartan/Hydrochlorothiazide	100%
Tobramycin/Dexamethasone	97%	Fluticasone Propionate	100%	Famotidine	100%
Empagliflozin	98%	Quetiapine Fumarate	100%	Atenolol	100%
Apixaban	99%	Sertraline Hcl	100%	Pregabalin	100%
Rivaroxaban	99%	Clopidogrel Bisulfate	100%	Isosorbide Mononitrate	100%
Fenofibrate Nanocrystallized	99%	Pravastatin Sodium	100%	Clonazepam	100%

* Of the top 200 drugs, we analyzed 195 drugs for this review.

Top 200 Commonly Used Drugs (cont'd)*

Generic Name	Percentage of Formularies Including Drug	Generic Name	Percentage of Formularies Including Drug	Generic Name	Percentage of Formularies Including Drug
Paroxetine Hcl	100%	Hydroxychloroquine Sulfate	100%	Colchicine	100%
Zolpidem Tartrate	100%	Ropinirole Hcl	100%	Metronidazole	100%
Baclofen	100%	Meclizine Hcl	100%	Hydrocortisone	100%
Spironolactone	100%	Digoxin	100%	Bumetanide	100%
Lamotrigine	100%	Levocetirizine Dihydrochloride	100%	Prednisolone Acetate	100%
Donepezil Hcl	100%	Insulin Nph Hum/Reg Insulin Hm	100%	Labetalol Hcl	100%
Buspirone Hcl	100%	Amoxicillin/Potassium Clav	100%	Calcitriol	100%
Topiramate	100%	Propranolol Hcl	100%	Fluconazole	100%
Latanoprost	100%	Ciprofloxacin Hcl	100%	Estradiol	100%
Aripiprazole	100%	Morphine Sulfate	100%	Prazosin Hcl	100%
Clonidine Hcl	100%	Sulfamethoxazole/Trimethoprim	100%	Gemfibrozil	100%
Memantine Hcl	100%	Ipratropium/Albuterol Sulfate	100%	Metoclopramide Hcl	100%
Glimepiride	100%	Methotrexate Sodium	100%	Dorzolamide Hcl	100%
Benzotropine Mesylate	100%	Ketoconazole	100%	Verapamil Hcl	100%
Fluticasone Propion/Salmeterol	100%	Clozapine	100%	Anastrozole	100%
Olanzapine	100%	Acetaminophen With Codeine	100%	Methylprednisolone	100%
Azithromycin	100%	Carbidopa/Levodopa	100%	Ondansetron	100%
Venlafaxine Hcl	100%	Ondansetron Hcl	100%	Nitrofurantoin Monohyd/M-Cryst	100%
Naproxen	100%	Lactulose	100%	Phenytoin Sodium Extended	100%
Carbamazepine	100%	Oxcarbazepine	100%	Nitroglycerin	100%
Amitriptyline Hcl	100%	Mirabegron	100%	Mupirocin	100%
Enalapril Maleate	100%	Doxycycline Hyclate	100%	Amiodarone Hcl	100%
Cephalexin	100%	Dorzolamide Hcl/Timolol Maleate	100%	Dextroamphetamine/Amphetamine	100%
Finasteride	100%	Ziprasidone Hcl	100%	Isosorbide Dinitrate	100%
Triamcinolone Acetonide	100%	Brimonidine Tartrate	100%	Ammonium Lactate	100%
Pioglitazone Hcl	100%	Cyclosporine	100%	Clindamycin Phosphate	100%
Chlorthalidone	100%	Doxazosin Mesylate	100%	Ramipril	100%
Oxycodone Hcl	100%	Fentanyl	100%	Phenobarbital**	Excluded
Ezetimibe	100%	Triamterene/Hydrochlorothiazid	100%	Lacosamide**	Excluded
Pramipexole Di-Hcl	100%	Diazepam	100%	Ranitidine Hcl***	Excluded
Amoxicillin	100%	Dicyclomine Hcl	100%	Alcohol Antiseptic Pads***	Excluded
Sucralfate	100%	Levofloxacin	100%	Ergocalciferol (Vitamin D2)***	Excluded
Ipratropium Bromide	100%	Timolol Maleate	100%		

Source: OIG analysis of drugs commonly used by dual eligibles, 2022.

* Of the top 200 drugs, we analyzed 195 drugs for this review.

**Drugs excluded from our analysis because we were unable to confidently project their use to the entire dual-eligible population.

***Drugs excluded from our analysis because they are not covered by Part D.

Methodology

We determined whether the unique formularies used by Part D plans operating in 2022 cover the prescription drugs mostly commonly used by dual eligibles.

- We used the 2019 Medicare Current Beneficiary Survey (MCBS) Cost and Use data to create a list of drugs with the highest utilization by dual eligibles.
- We used the February 2022 First DataBank National Drug Data File to identify the drug product information for the drugs with the highest utilization by dual eligibles.
- To determine the drugs most commonly used by dual eligibles, we took the following steps:
 - We created a list of all drugs reported by dual eligibles surveyed in the 2019 MCBS, excluding territories.
 - We collapsed this list to a list of drugs based on their active ingredients.
 - We ranked the drugs by frequency of utilization, weighting the drug-event information from MCBS by sample weight.
 - We selected the 200 drugs with the highest utilization by dual eligibles.
- Of the top 200 drugs, we analyzed 195 drugs for this review. We removed three drugs not covered under Part D and two drugs for which we were unable to confidently project use to the entire dual-eligible population.
- We collected from CMS the formulary data and the plan data for Part D plans operating in 2022. The formulary data include Part D plans' formularies for plans operating in 2022.
- We then analyzed the unique Part D plan formularies to determine their rates of inclusion of the drugs commonly used by dual eligibles. We counted a drug as included in a Part D plan's formulary if the formulary included the active ingredient.

Standards

We conducted this study in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

Acknowledgments

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Sources

¹ Kaiser Family Foundation, "What is the role of Medicare for dual-eligible beneficiaries?", *A Primer on Medicare: Key Facts About the Medicare Program and the People it Covers*. Accessed at <https://www.kff.org/report-section/a-primer-on-medicare-what-is-the-role-of-medicare-for-dual-eligible-beneficiaries/> on April 6, 2022.

² For the mandate, see the Patient Protection and Affordable Care Act, P.L. No. 111-148 § 3313(a). For each study, OIG has reviewed drug coverage under Medicare Part D for all dual eligibles, rather than only for full-benefit dual eligibles as specified by the mandate. (Under Social Security Act § 1935(c)(6), full-benefit dual eligibles are individuals who are eligible for both Medicare and full Medicaid benefits.) With the data available for these studies, we could not confidently identify and separate full-benefit dual eligibles—and thus the drugs they used—from the total population of dual eligibles.

³ Social Security Act § 1860D-14(b); 42 CFR § 423.780(b)(2)(i).

⁴ Medicare subsidizes dual eligibles' premiums, deductibles, and other cost-sharing obligations up to a determined premium benchmark that varies by region. Medicare Prescription Drug, Improvement, and Modernization Act of 2003, P.L. No. 108-173 (enacted Dec. 8, 2003), § 101, Social Security Act § 1860D-14.

Sources (cont'd)

⁵ CMS randomly assigns dual eligibles to a Part D plan with premiums below the regional benchmark when (1) they become eligible for both Medicare and Medicaid but have not elected a Part D plan, (2) their current Part D plan will have a premium above the regional benchmark for the following year, or (3) the plan to which they were assigned is terminated. CMS, Prescription Drug Benefit Manual (PDBM), ch. 3, § 40.1.4-5.

⁶ Plan formularies do not generally have to include every available drug. Rather, to meet CMS's formulary requirements, they must include at least two drugs in each therapeutic category or class. CMS, PDBM, ch. 6, § 30.2.1.

⁷ 83 Fed. Reg. 16440, 16514–19 (Apr. 16, 2018).

⁸ CMS, Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance, §§ 40-60.