

Trends in Medicare Part D Benefit Design and Cost Sharing for Adult Vaccines, 2015–2017

Few Medicare Part D Plans Offer Adult Vaccines Without Cost Sharing

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February 2018

*This chart pack is a companion document to the Manatt Health Strategies
issue brief of the same name*

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Acronyms and Definitions

ACIP:	Advisory Committee on Immunization Practices
CDC:	Centers for Disease Control and Prevention
LIS:	Low-Income Subsidy Medicare Part D Enrollee
MA-PDP:	Medicare Advantage Prescription Drug Plan
PDP:	Prescription Drug Plan (stand-alone)
OOPC:	Out-of-Pocket Cost
Dedicated Vaccine-Only Tier	A plan-designated zero-dollar cost share tier for vaccines permitted under Medicare Part D
Zero-Dollar Cost Share Tier:	A plan designated tier for drugs offered with zero-dollar cost sharing

Introduction to Study

Context of the Study

- Medicare Part D plans are required to cover all commercially available vaccines not already covered under Medicare Part B, as long as the vaccine is reasonable and necessary to prevent illness.
- Beginning in 2012, CMS permitted and encouraged Part D plans to create a “vaccine-only tier” with zero-dollar cost sharing to promote vaccination.
- This study focuses on non-low-income subsidy (non-LIS) beneficiaries because they can potentially face high cost sharing. By statute, LIS beneficiaries have access to low cost sharing.

Purpose of the Study

- This study analyzes whether Part D plans, including MA-PDPs and PDPs, incentivize non-LIS beneficiaries to be vaccinated by placing vaccines on tiers with zero-dollar or low cost sharing during calendar years (CY) 2015–2017.
- It examines Part D formulary designs with respect to the use of copayments and coinsurance for ten ACIP/CDC recommended adult vaccines covered under the Medicare Part D benefit for the Part D plan periods CY 2015–CY 2017. These vaccines address a broad range of preventable conditions for adults.
- It also examines estimated out-of-pocket costs (OOPCs) for a single dose of each of these vaccines in the initial coverage phase, based on CY 2017 Part D formulary benefit designs applied to the vaccine cost per administration. Estimated OOPCs are weighted by total non-LIS enrollment in each plan and not by actual utilization of vaccines by non-LIS enrollees in each plan.

Approach to Slides

- In each table, all vaccines are listed alphabetically.
- Tenivac™ vaccine data is only listed for 2016 and 2017. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files listed Tenivac in their 2015 second quarter (Q2) formulary.
- In February 2017, Sanofi Pasteur announced the discontinuation of Menomune®. The vaccine remained on the market for a portion of 2017 and was included on Medicare Part D formularies in 2017, making it eligible for inclusion in this study.
- This chart pack is a companion document to the Manatt Health Strategies Issue Brief by the same name. The chart pack features additional charts and tables; therefore, the chart and table numbers do not match between the two documents.

GlaxoSmithKline provided funding for this analysis. Manatt Health Strategies, LLC, maintained full editorial control over the selection of the vaccines, methodology, and content of this chart pack.

Table 1: Medicare Study Population by Non-LIS Enrollment and Plan Type

Non-LIS Medicare Part D Enrollees	2015	2016	2017
MA-PDP	9,690,883	10,194,765	10,725,378
PDP	11,209,489	12,125,895	12,757,824
Total Non-LIS Enrollees	20,900,372	22,320,660	23,483,202

Number of Plans Analyzed	2015	2016	2017
MA-PDP	2,276	2,362	2,426
PDP	1,013	897	757

Note: The analysis does not include enrollment from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer-direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data.

Table 2: Part D Vaccines Selected for Analysis

Based on ACIP/CDC Recommended Adult Immunization Schedule for the U.S. for 2015–2017

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Part D Vaccines Selected for Analysis				
Proprietary Name	Nonproprietary Name	Labeler Name	Age ≥ 65	If Risk Factor(s) Present
Boostrix®	Tetanus Toxoid, Reduced Diphtheria Toxoid, Acellular Pertussis Vaccine, Adsorbed	GlaxoSmithKline Biologicals SA	✓	
Engerix-B®	Hepatitis B Vaccine (Recombinant)	GlaxoSmithKline Biologicals SA	✓	✓
Havrix®	Hepatitis A Vaccine	GlaxoSmithKline Biologicals SA	✓	✓
Menomune®	A/C/Y/W-135, Meningococcal Polysaccharide Vaccine, Groups A, C, Y and W-135 Combined	Sanofi Pasteur Inc.	✓	✓
Recombivax HB®	Hepatitis B Vaccine (Recombinant)	Merck Sharp & Dohme Corp.	✓	✓
Tenivac™	Tetanus and Diphtheria Toxoids Adsorbed	Sanofi Pasteur Inc.	✓	✓
Twinrix®	Hepatitis A and Hepatitis B (Recombinant)	GlaxoSmithKline Biologicals SA	✓	✓
Vaqta®	Hepatitis A Vaccine, Inactivated	Merck Sharp & Dohme Corp.	✓	✓
Varivax®	Varicella Virus Vaccine Live	Merck Sharp & Dohme Corp.	✓	
Zostavax®	Zoster Vaccine Live	Merck Sharp & Dohme Corp.	✓	

The vaccines selected for this analysis come from the ACIP/CDC Recommended Adult Immunization Schedule for the U.S. between 2015 and 2017 and are generally recommended for all adults greater or equal to 65 years old, or for adults with certain risk factors. Vaccines targeted for this analysis are used to prevent various diseases such as tetanus, diphtheria, pertussis, shingles, hepatitis A and B, chickenpox, and meningococcal disease.

Sources: Centers for Disease Control and Prevention (CDC). (2017). Recommended Immunization Schedules for Adults Aged 19 Years or Older, United States, 2017. *Advisory Committee on Immunization Practices*. Retrieved on Oct. 10, 2017, from <https://www.cdc.gov/vaccines/schedules/downloads/adult/adult-combined-schedule.pdf>; CDC. (2017). Immunizations Information Systems: NDC Look Up Crosswalk. *National Center for Immunization and Respiratory Diseases*. Retrieved on Oct. 10, 2017, from <https://www2a.cdc.gov/vaccines/iis/iisstandards/vaccines.asp?rpt=ndc>.

Executive Summary

Few non-LIS Part D enrollees had access to vaccines through zero-dollar cost share.

- Across MA-PDPs and PDPs, about 4% or less of non-LIS Part D enrollees had access to the vaccines examined in this study through zero-dollar cost sharing in 2017, depending on the vaccine. When zero-dollar cost sharing was available, it was usually offered through a dedicated vaccine-only tier.
- There was little change in access to vaccines through dedicated vaccine-only tiers or other zero-dollar cost share tiers between 2015 and 2017.

Less than 9% of non-LIS MA-PDP enrollees had access to vaccines through zero-dollar cost share in 2017.

- Between 8.0% and 8.6% of MA-PDP non-LIS enrollees in 2017 had access to the vaccines examined in this study through zero-dollar cost sharing, depending on the vaccine.
- Among the MA-PDPs that required coinsurance for the study vaccines in 2017, more than 30% of non-LIS enrollees had a coinsurance rate exceeding 35% for these vaccines.
- Among MA-PDPs that required copayments for the study vaccines in 2017, less than 3% of non-LIS enrollees had copayments less than \$26 for these vaccines.

No PDPs offered zero-dollar cost sharing to non-LIS enrollees for the study vaccines.

- Among PDPs that required coinsurance in 2017, coinsurance rates for the study vaccines were rarely less than 11% for non-LIS enrollees, and average coinsurance rates were 35% or greater for nine of the ten vaccines.
- Among PDPs that required copayments, less than 15% of non-LIS enrollees had copayments under \$26 in 2015, declining to less than 9% under \$26 in 2017.

Executive Summary (continued)

Among non-LIS enrollees with cost sharing for these vaccines, MA-PDPs had higher weighted average copayment amounts, but lower weighted average coinsurance rates relative to PDPs.

- Although only MA-PDPs offered zero-dollar cost sharing for the vaccines studied, PDPs had a lower median estimated out-of-pocket cost for eight of the ten vaccines studied.
- Median estimated cost sharing for non-LIS MA-PDP enrollees in 2017 was between \$39 and \$47 across the vaccines studied. By comparison, median estimated cost sharing for non-LIS PDP enrollees ranged between \$27 and \$75 depending on the vaccine, a slightly broader range than for MA-PDP enrollees.
- Estimated out-of-pocket costs could exceed \$100 for either MA-PDP or PDP enrollees for some vaccines.

In 2017, for the study vaccines, average weighted cost sharing at the state level was generally more homogeneous across states in PDPs, compared with MA-PDPs.

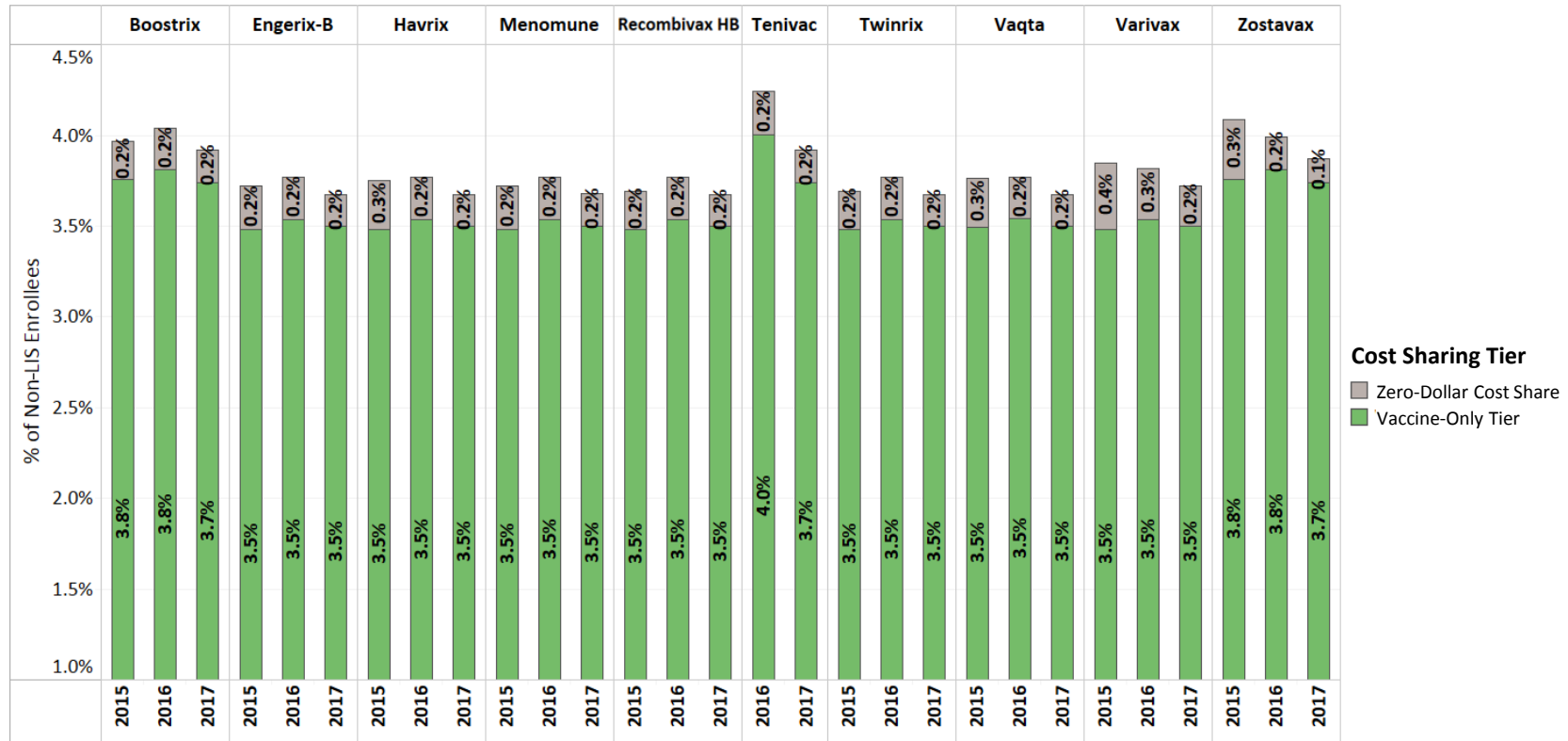
- Among MA-PDPs, the South region typically had the highest cost sharing, with the exception of the District of Columbia and Maryland.
- Among PDPs, Illinois and Arkansas had the highest out-of-pocket costs for most vaccines.

Non-LIS Enrollee Distribution by Cost Sharing Type Across MA-PDPs and PDPs

Across MA-PDPs and PDPs, About 4% or Less Non-LIS Part D Enrollees Had Access to These Vaccines Through Zero-Dollar Cost Sharing in 2017

Chart 1: 2015–2017: Percentage of Non-LIS Enrollees With Vaccines in Dedicated Vaccine-Only Tier or Zero-Dollar Cost Share Tier 12

- When zero-dollar cost sharing is available, it was typically offered through a dedicated vaccine-only tier
- There was little change in access to vaccines through dedicated vaccine-only tiers or other zero-dollar cost share tiers between 2015 and 2017



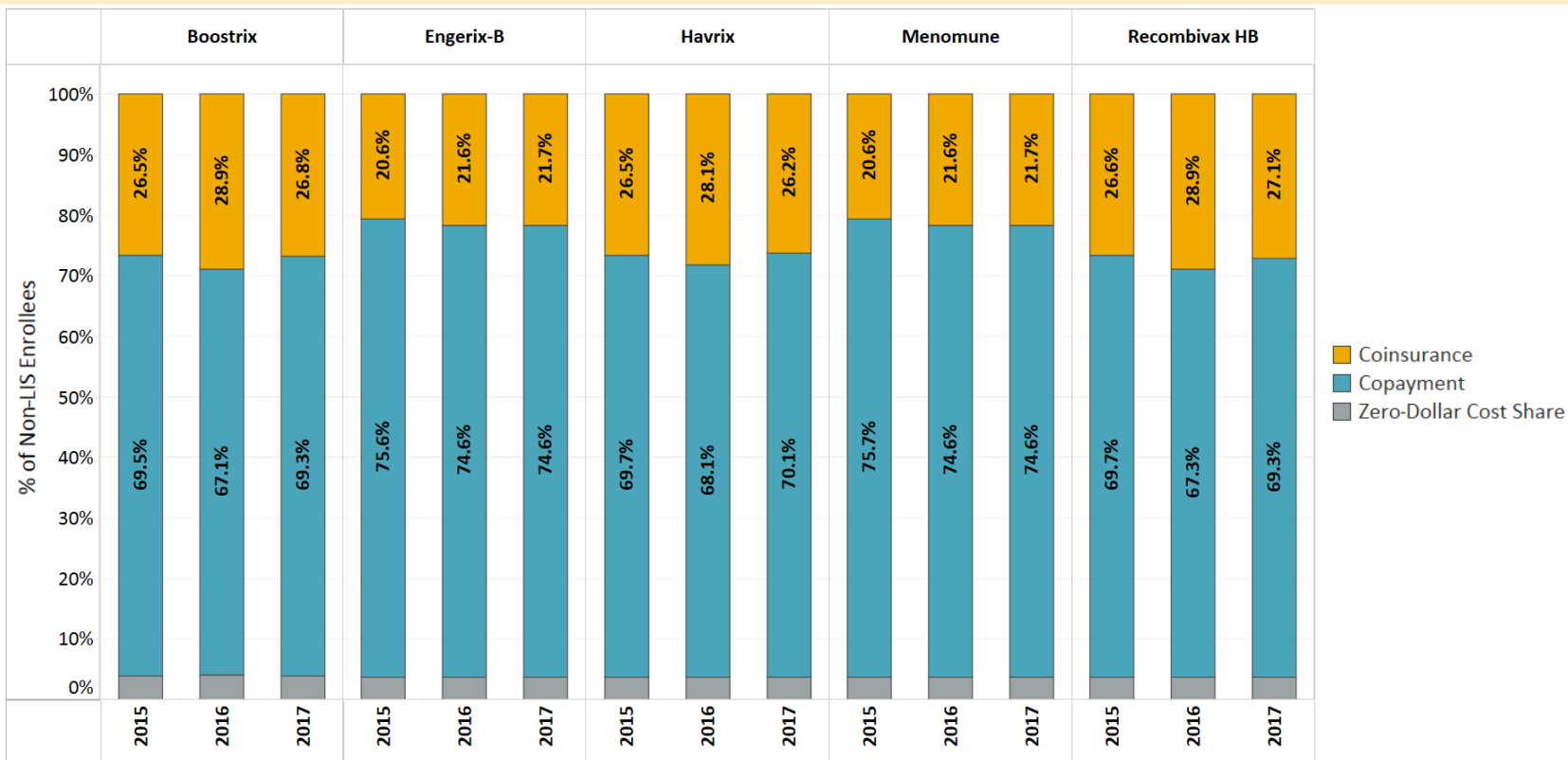
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Across MA-PDPs and PDPs, Most Non-LIS Enrollees Must Pay a Copayment for These Vaccines; Few Had Zero-Dollar Cost Sharing

Chart 2a: 2015–2017: Percentage of Non-LIS Enrollees by Type of Cost Sharing in MA-PDPs and PDPs (First Five Vaccines)

- More than half of non-LIS enrollees had copayments for these vaccines
- Copayments were the most common form of cost sharing over time



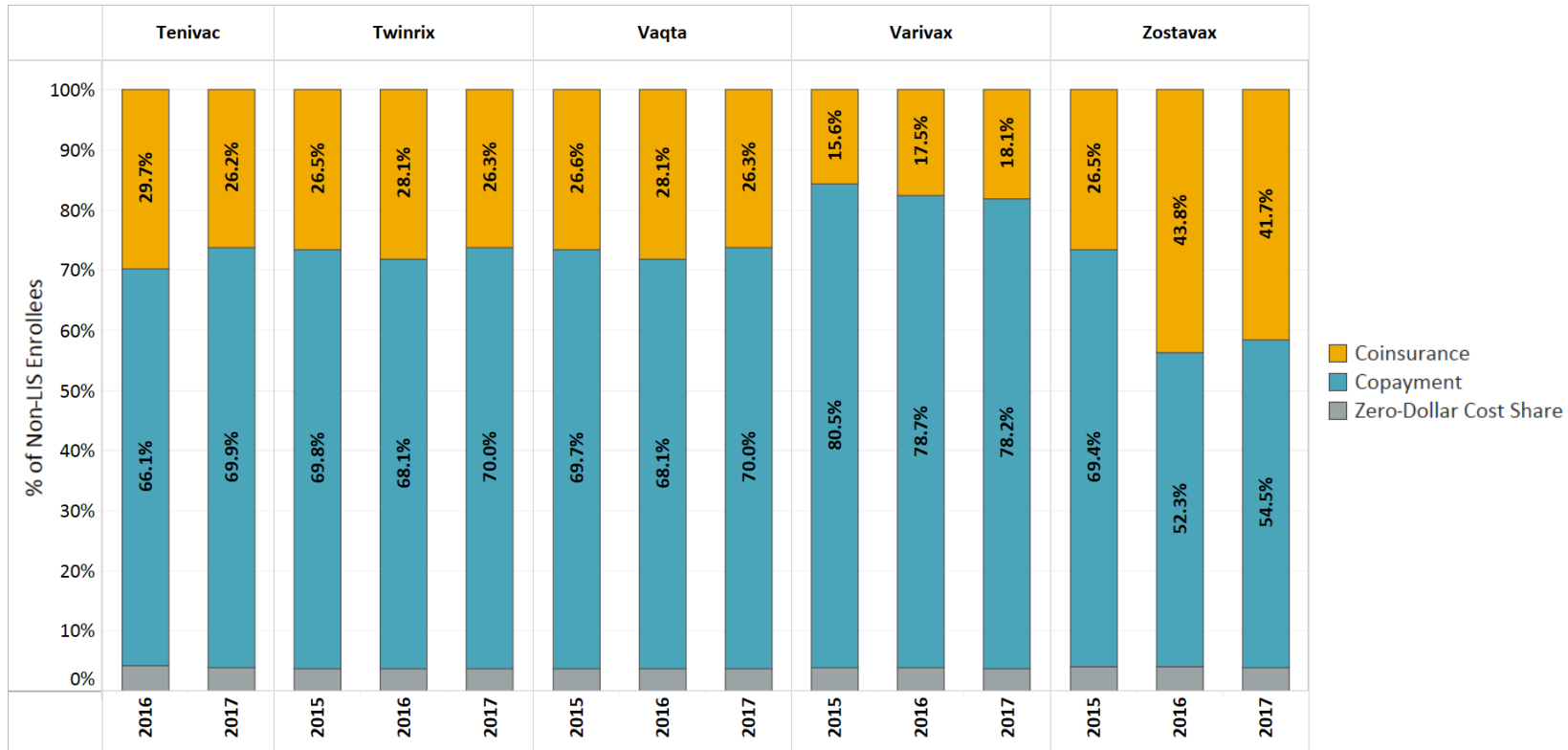
Note: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Across MA-PDPs and PDPs, Most Non-LIS Enrollees Must Pay a Copayment for These Vaccines; Few Had Zero-Dollar Cost Sharing

Chart 2b: 2015–2017: Percentage of Non-LIS Enrollees by Type of Cost Sharing in MA-PDPs and PDPs (Second Five Vaccines)

- More than half of non-LIS enrollees had copayments for these vaccines
- Copayments were the most common form of cost sharing over time



Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

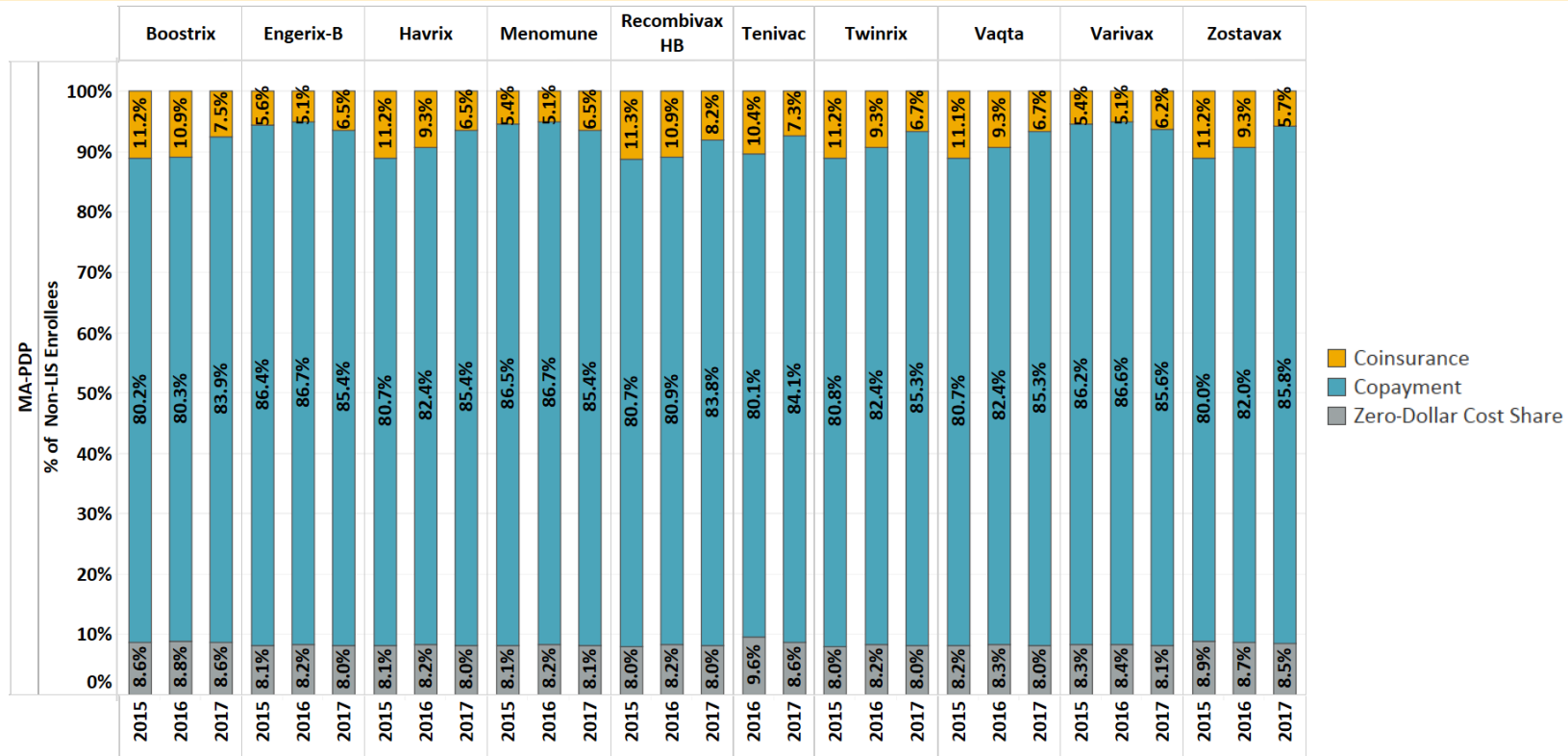
Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Cost Sharing Landscape for Non-LIS MA-PDP Enrollees

More Than 80% of Non-LIS Enrollees in MA-PDPs Encounter Copayments for These Vaccines

Chart 3: 2015–2017: Percentage of Non-LIS Enrollment in MA-PDPs by Cost Sharing Type

- Between 8.0% and 8.6% of non-LIS MA-PDP enrollees in 2017 had access to vaccines through zero-dollar cost sharing
 - Less than 12% of non-LIS MA-PDP enrollees faced coinsurance for vaccines, with little change over time



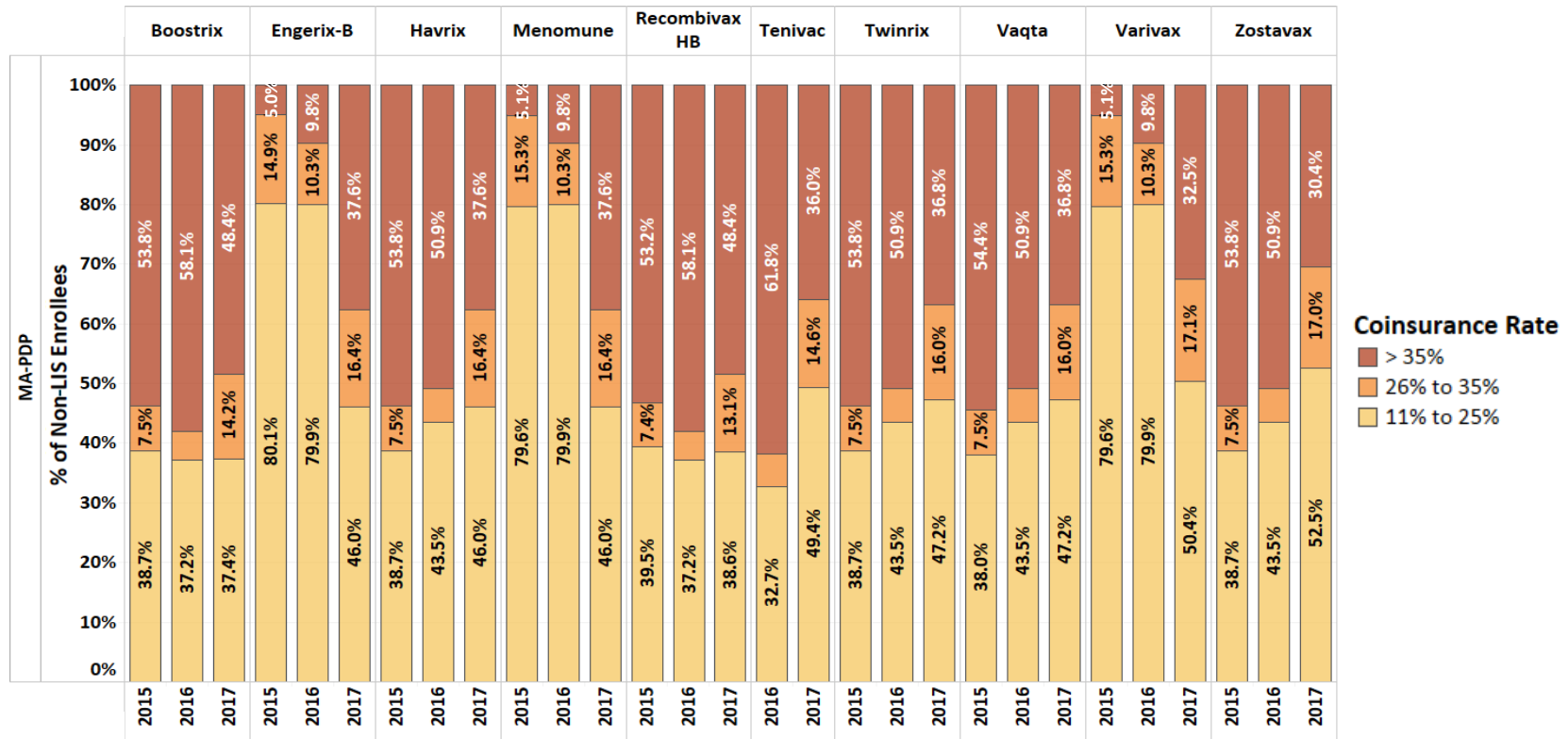
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Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Coinsurance Rates for These Vaccines Vary but Often Exceed 35% for MA-PDP Non-LIS Enrollees in 2017

Chart 4: 2015–2017: Percentage of Non-LIS Enrollment in MA-PDPs With Coinsurance by Rate

- Among the MA-PDPs that required coinsurance in 2017, over 30% of non-LIS enrollees had a coinsurance rate exceeding 35%
 - Coinsurance rates vary over time and across vaccines, without any consistent trend



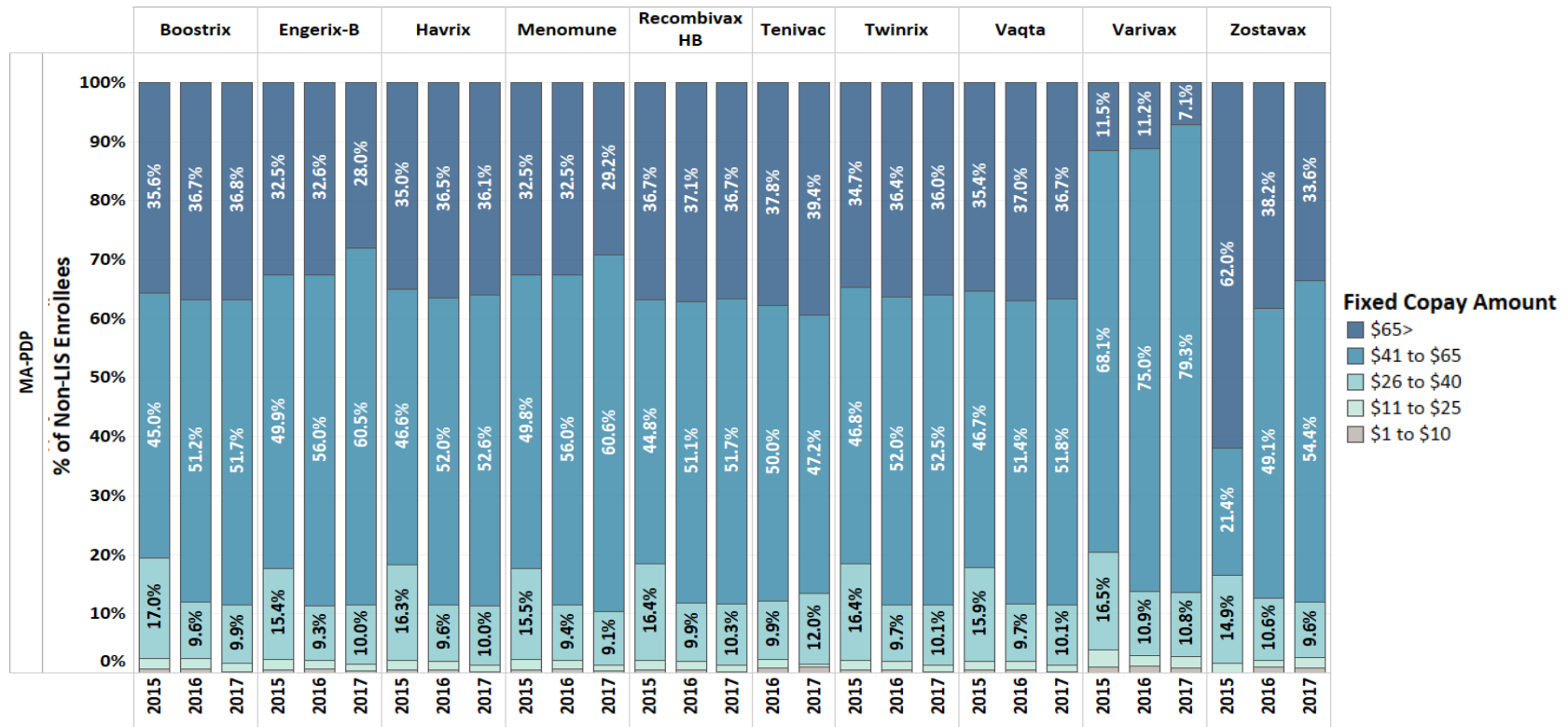
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Over 86% of Non-LIS MA-PDP Enrollees in 2017 Were in Plans That Require a Copayment of \$41 or More for These Vaccines

Chart 5: 2015–2017 Percentage of Non-LIS Enrollees in MA-PDPs With Copayment by Amount

- Among MA-PDPs that required copayments in 2017, less than 3% of non-LIS enrollees had copayments under \$26



Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

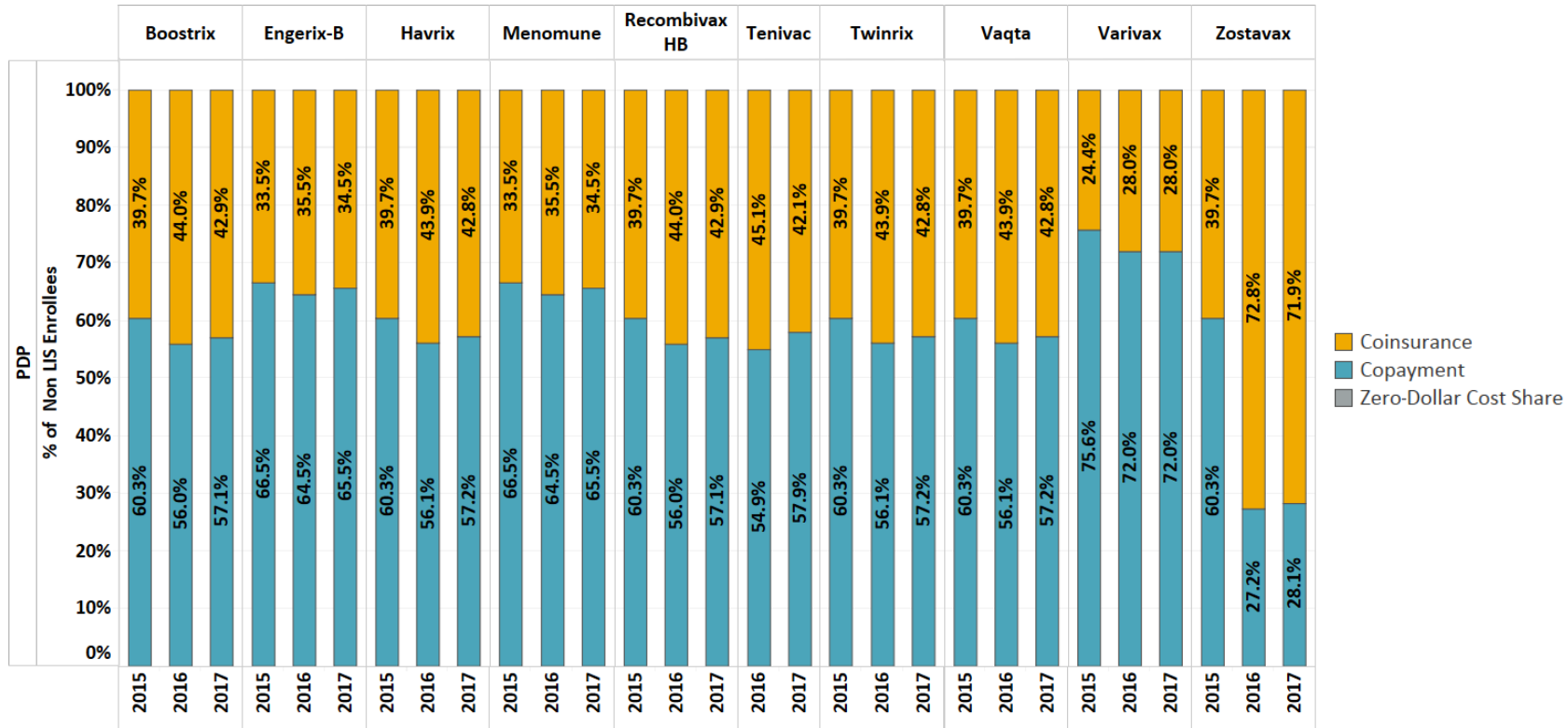
Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Cost Sharing Landscape for Non-LIS PDP Enrollees

No PDPs Offered Zero-Dollar Cost Sharing to Non-LIS Enrollees for These Vaccines

Chart 6: 2015–2017: Percentage of Non-LIS Enrollment in PDPs by Cost Sharing Type

- More than a third of non-LIS enrollees in PDPs faced coinsurance for most vaccines, compared with less than 12% of MA-PDP non-LIS enrollees (as shown in earlier slide)



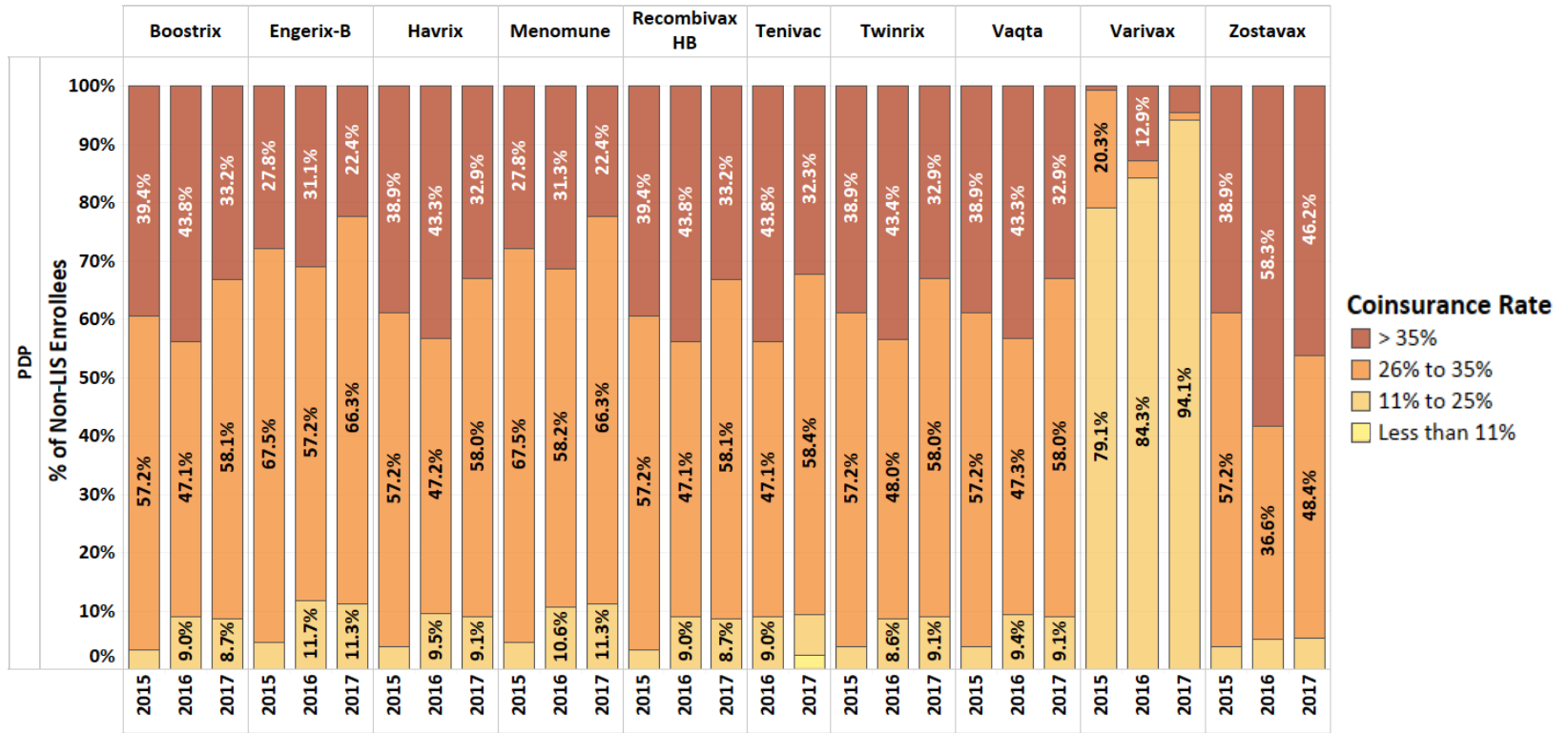
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

When Used by PDPs, Coinsurance Rates Varied Substantially by Vaccine

Chart 7: 2015–2017: Percentage of Non-LIS Enrollment in PDPs With Coinsurance by Rate

- Among PDPs that required coinsurance in 2017, coinsurance rates were rarely less than 11% for non-LIS enrollees
 - Average coinsurance rates often exceeded 35% for most vaccines



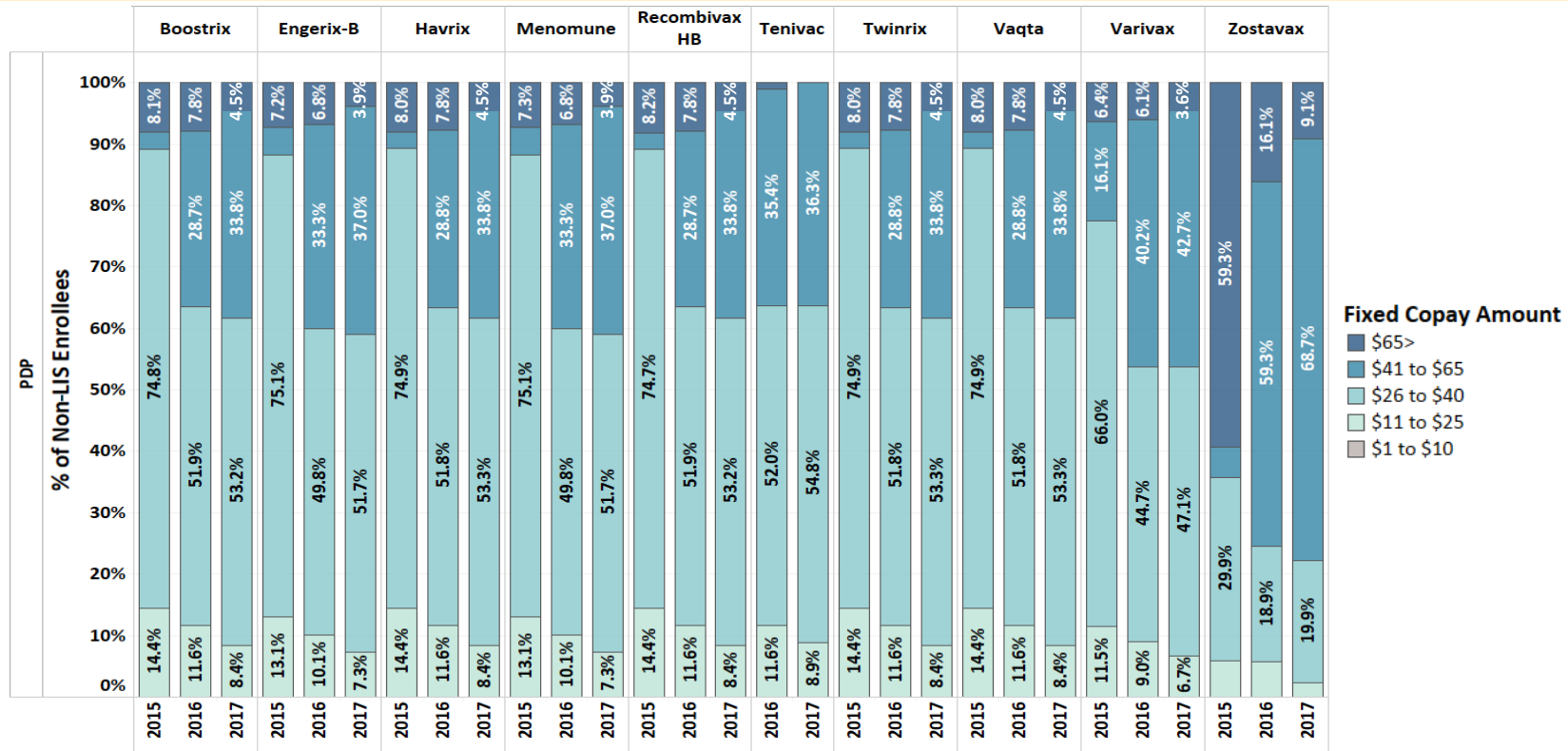
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenvirax in their 2015Q2 formulary.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

A Plurality of Non-LIS Enrollees in PDPs Had Copayment of \$26 to \$40 for Most of These Vaccines

Chart 8: 2017: Percentage of Non-LIS Enrollees in PDPs With Copayment by Amount

- Among PDPs that required copayments, less than 15% of non-LIS enrollees had copayments under \$26 in 2015, declining to less than 9% under \$26 in 2017



Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

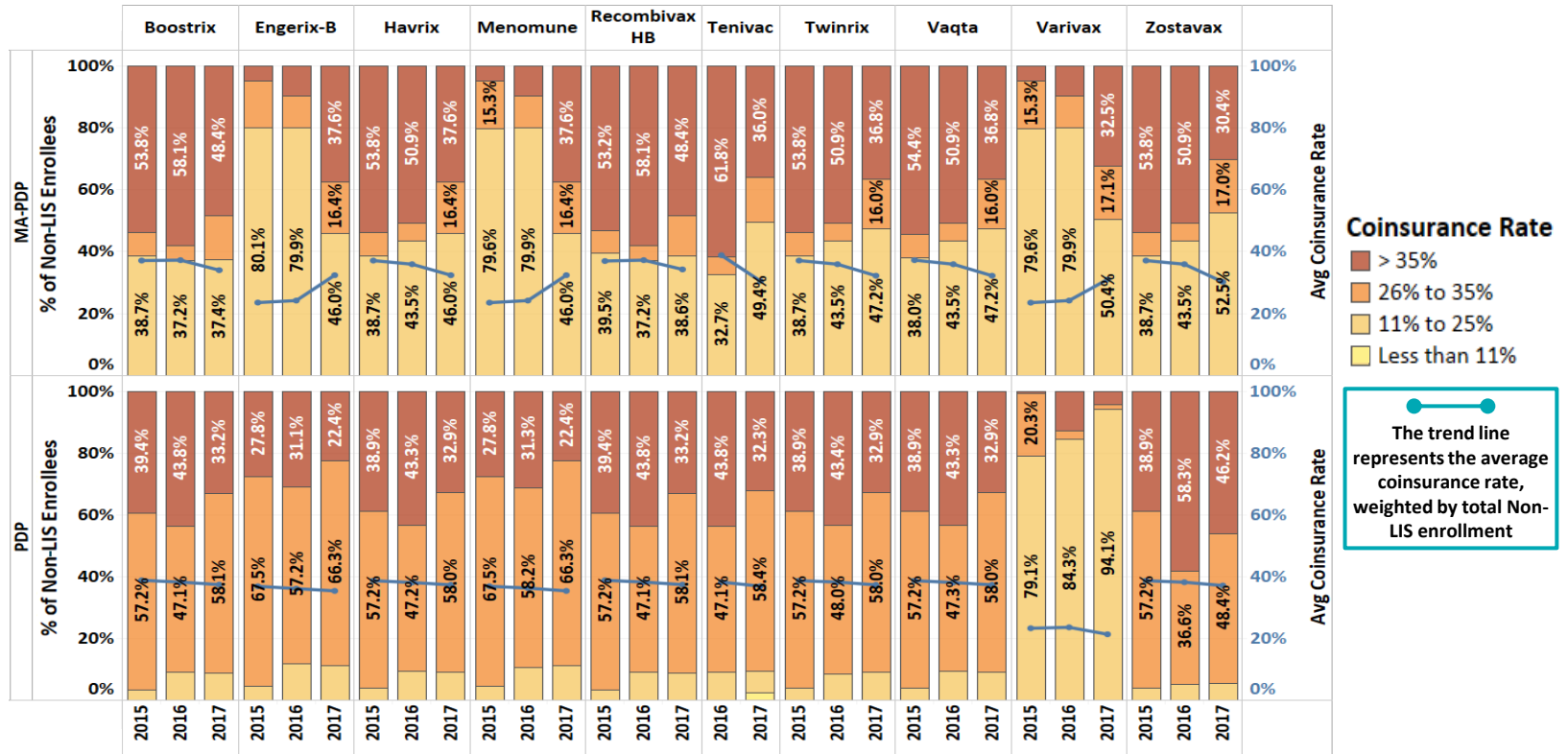
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Trends in the Cost Sharing Landscape: MA-PDP and PDP Comparisons

Coinsurance Rates Were Typically Higher for Non-LIS Enrollees in PDPs, Relative to MA-PDPs for These Vaccines

Chart 9: 2015–2017: Trends in Non-LIS Enrollment by Coinsurance Rate

- Between 2015 and 2017, coinsurance rates exceeded 25% for more than 88% of non-LIS PDP enrollees (except for Varivax), compared with 67% or less of non-LIS MA-PDP enrollees
- Coinsurance rates in PDPs showed a slight decrease from 2015 to 2017



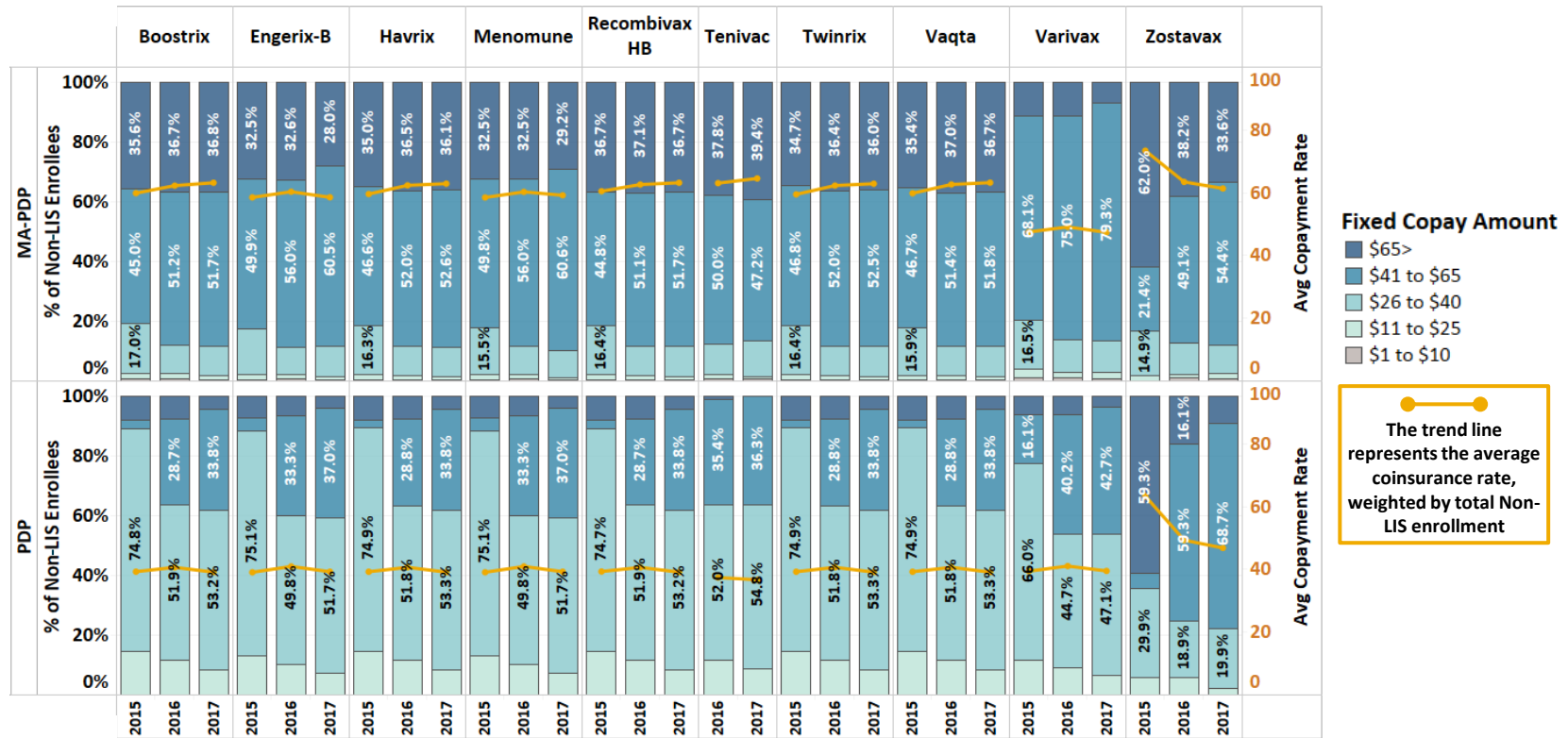
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Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Copayments Were Generally Higher for Non-LIS Enrollees in MA-PDPs, Relative to PDPs for These Vaccines

Chart 10: 2015–2017: Trends in Non-LIS Enrollment by Copayment Amount

- Copayments under \$25 existed for less than 5% of non-LIS enrollees in MA-PDPs and less than 15% of non-LIS enrollees in PDPs
- Average copayment amounts for MA-PDP and PDP enrollees were stable from 2015 to 2017



Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files list Tenivac in their 2015Q2 formulary.

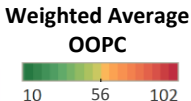
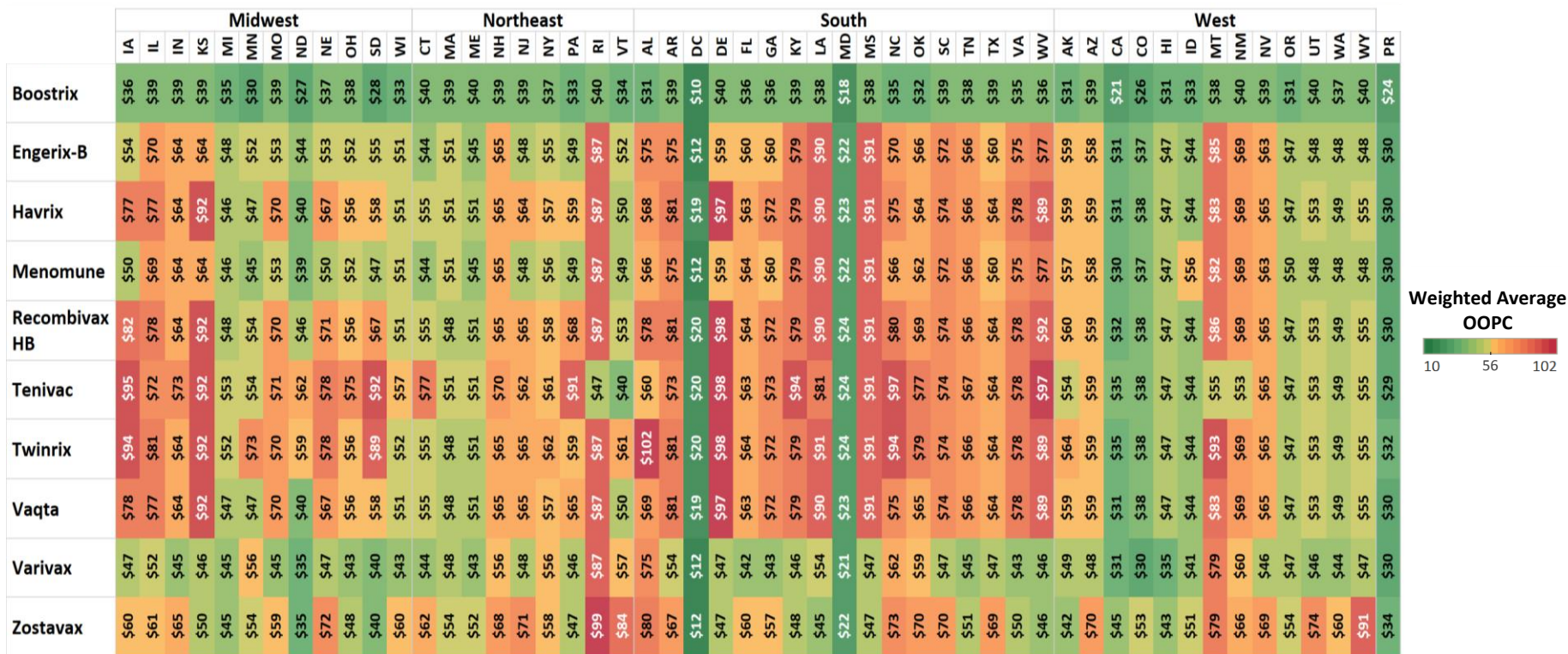
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Estimated Out-of-Pocket Costs by Vaccine and Region for MA-PDPs and PDPs

Estimated Out-of-Pocket Costs for Non-LIS MA-PDP Enrollees Can Vary Widely by State and by Vaccine

Chart 11: 2017: Estimated State-Level Out-of-Pocket Costs for Non-LIS Enrollees in MA-PDPs

- The South region typically had the highest cost sharing for these vaccines
- The lowest cost sharing was generally found in the West region, with the exception of Montana
- Boostrix had low cost sharing across all regions, followed by Varivax for most regions



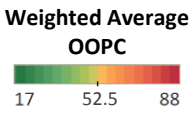
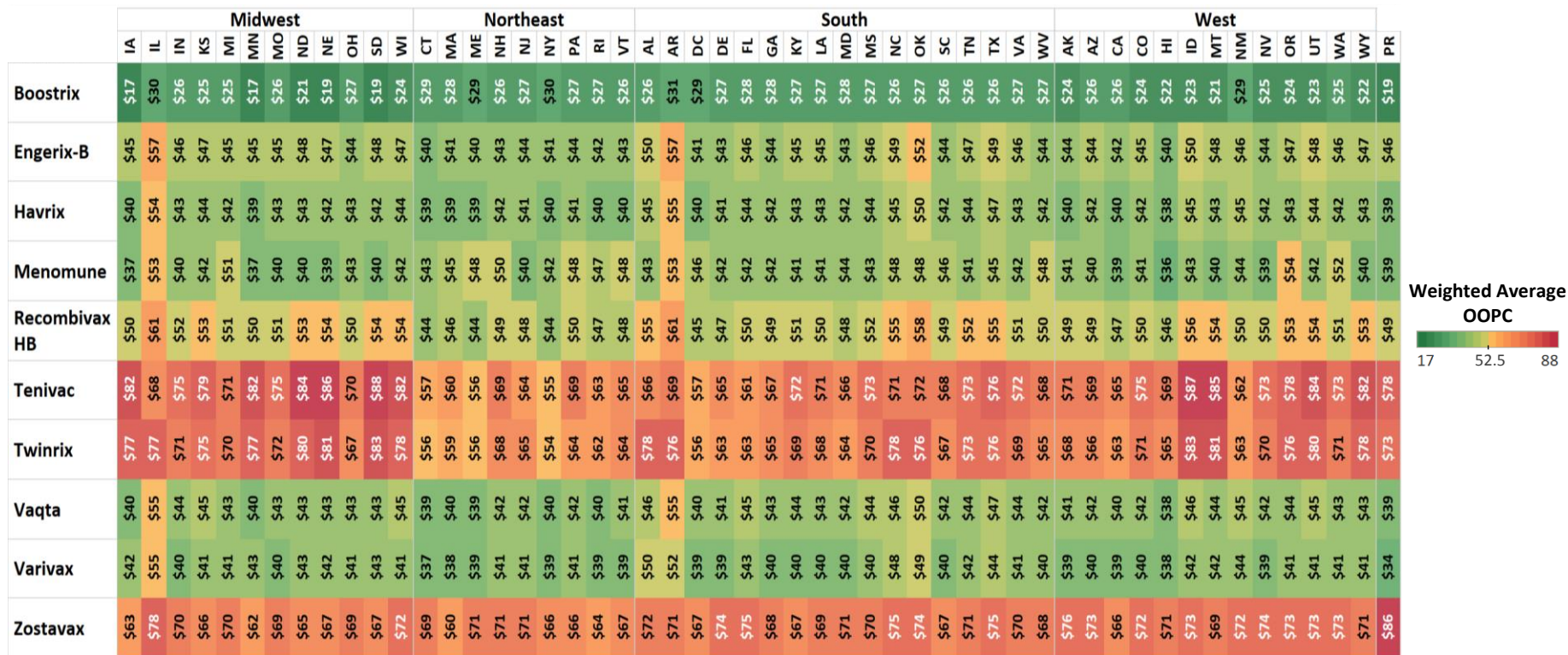
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Cost Sharing Was Generally More Homogeneous for Study Vaccines Across States for Non-LIS Enrollees in PDPs, Compared With MA-PDPs

Chart 12: 2017: Estimated State-Level Out-of-Pocket Costs for Non-LIS Enrollees in PDPs

- Estimated out-of-pocket costs can vary from \$17 to \$88 depending on vaccine and state
- Tenivac, Twinrix, and Zostavax had consistently higher cost sharing across all regions



Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. No PDP enrollees had a dedicated vaccine-only tier or zero-dollar cost share. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files.

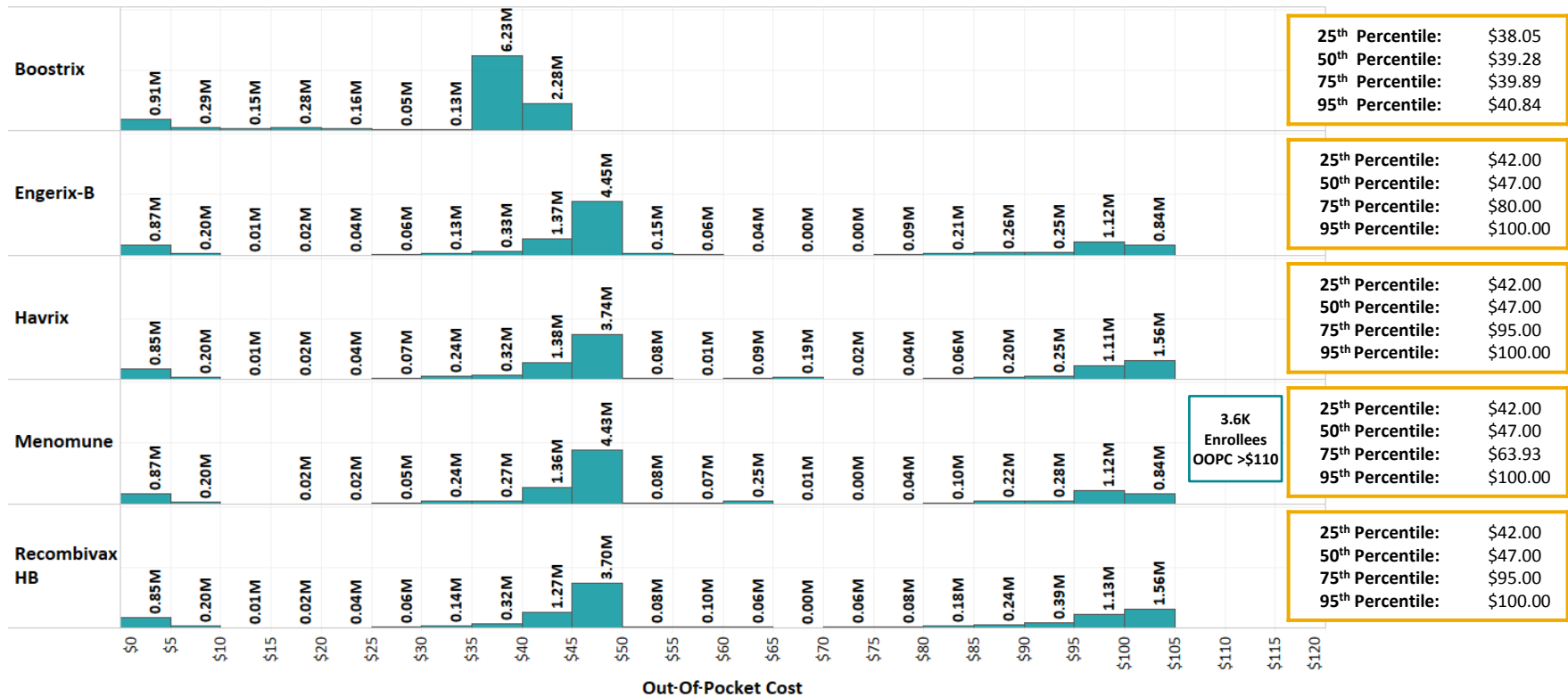
Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Distribution of Estimated Out-of-Pocket Costs by Vaccine for MA-PDPs and PDPs

Benefit Designs in MA-PDPs Resulted in Less than One Quarter of Non-LIS Enrollees Having Access to Most of These Vaccines for Under \$42

Chart 13a: 2017: Distribution of Non-LIS MA-PDP Enrollees Across Levels of Estimated Out-of-Pocket Cost by Vaccine (First Five Vaccines) 30

- Median estimated cost sharing for non-LIS MA-PDP enrollees in 2017 was between \$39 and \$47 across these vaccines
- Estimated out-of-pocket costs can exceed \$100 for some non-LIS MA-PDP enrollees depending on the vaccine



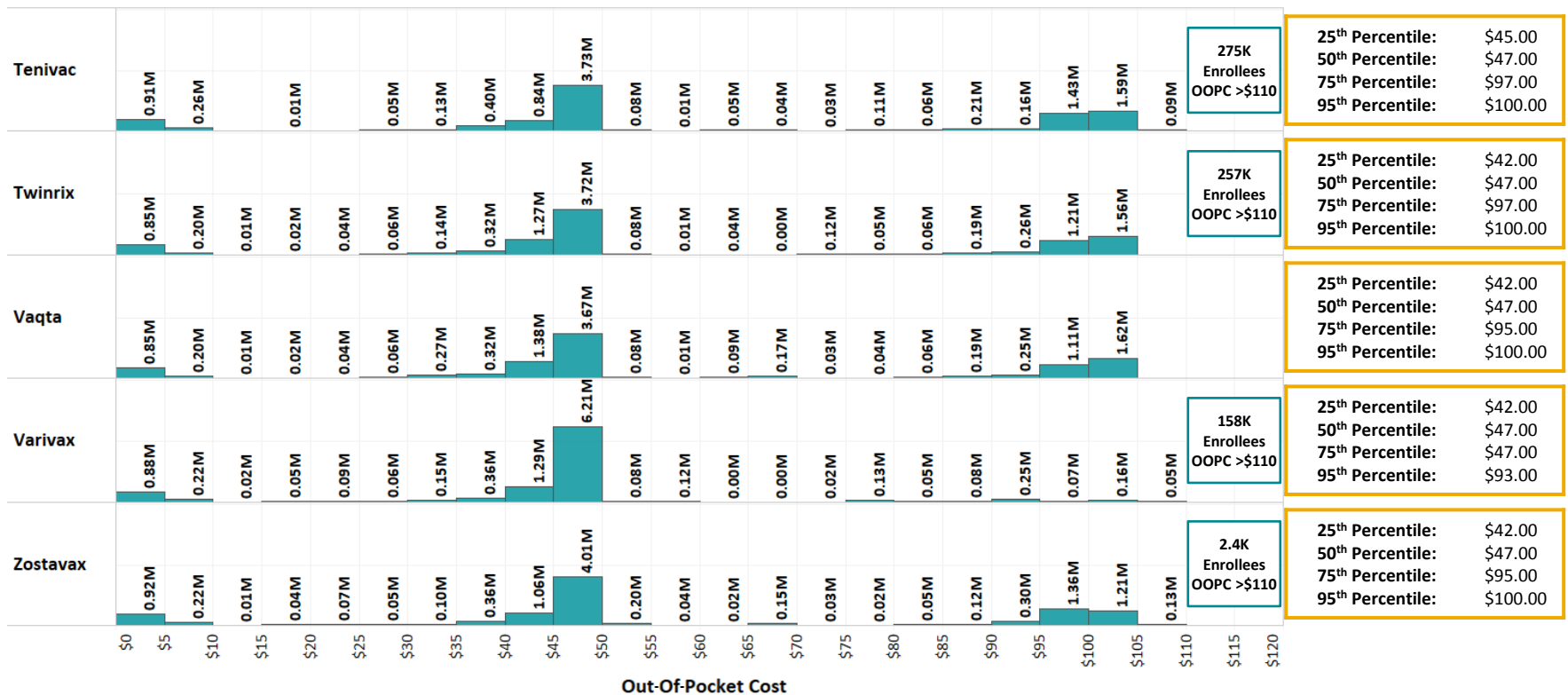
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. The visual distribution was artificially cut at \$110. Out-of-pocket costs above \$110 are indicated separately.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Benefit Designs in MA-PDPs Resulted in Less than One Quarter of Non-LIS Enrollees Having Access to Most of These Vaccines for Under \$42

Chart 13b: 2017: Distribution of Non-LIS MA-PDP Enrollees Across Levels of Estimated Out-of-Pocket Cost by Vaccine (*Second Five Vaccines*)

- Median estimated cost sharing for non-LIS MA-PDP enrollees in 2017 was between \$39 and \$47 across these vaccines
- Estimated out-of-pocket costs can exceed \$100 for some non-LIS MA-PDP enrollees depending on the vaccine



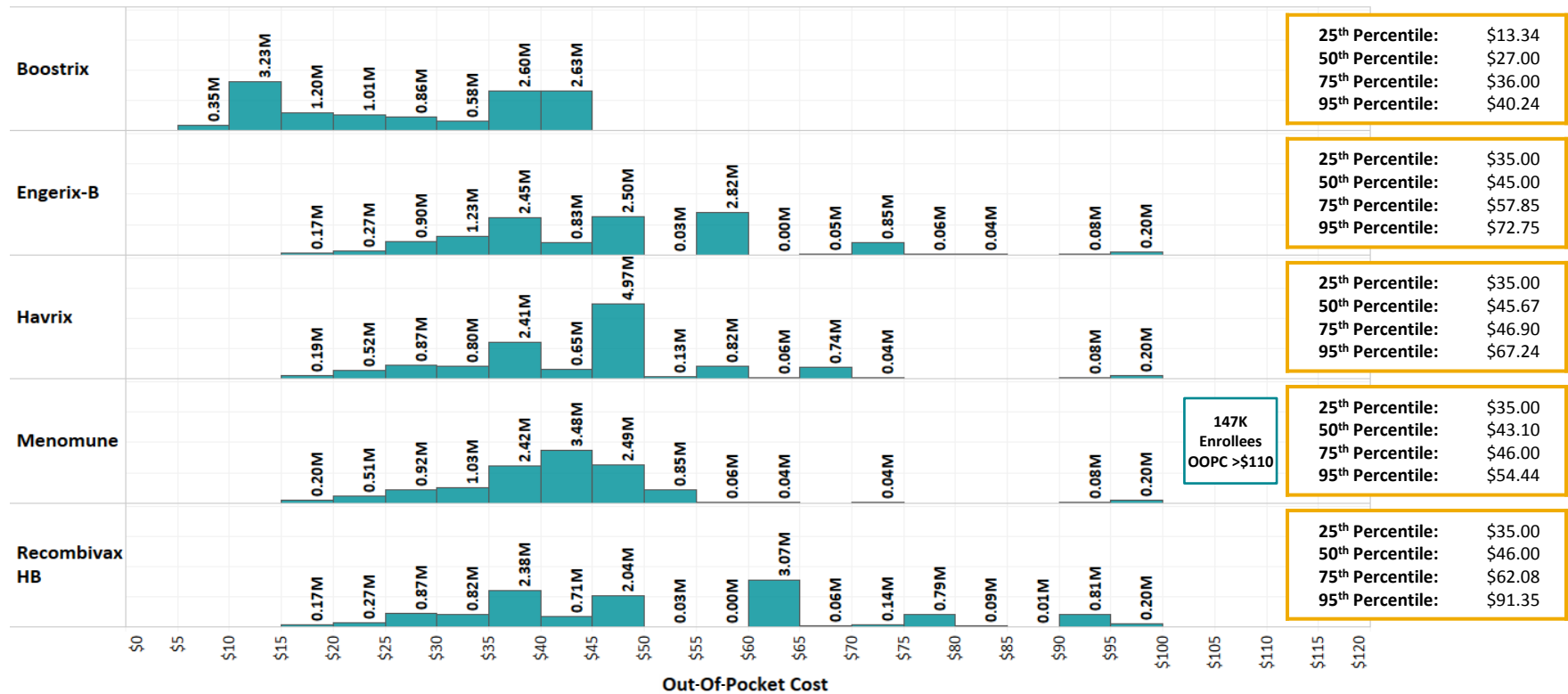
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. The visual distribution was artificially cut at \$110. Out-of-pocket costs above \$110 are indicated separately.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Benefit Designs in PDPs Resulted in Less than One Quarter of Non-LIS Enrollees Having Access to Most of These Vaccines for Under \$35

Chart 14a: 2017: Distribution of Non-LIS PDP Enrollees Across Levels of Estimated Out-of-Pocket Cost by Vaccine (*First Five Vaccines*)

- Median estimated cost sharing ranged between \$27 and \$75 depending on the vaccine
- Estimated out-of-pocket costs can exceed \$100 for some non-LIS PDP enrollees depending on the vaccine



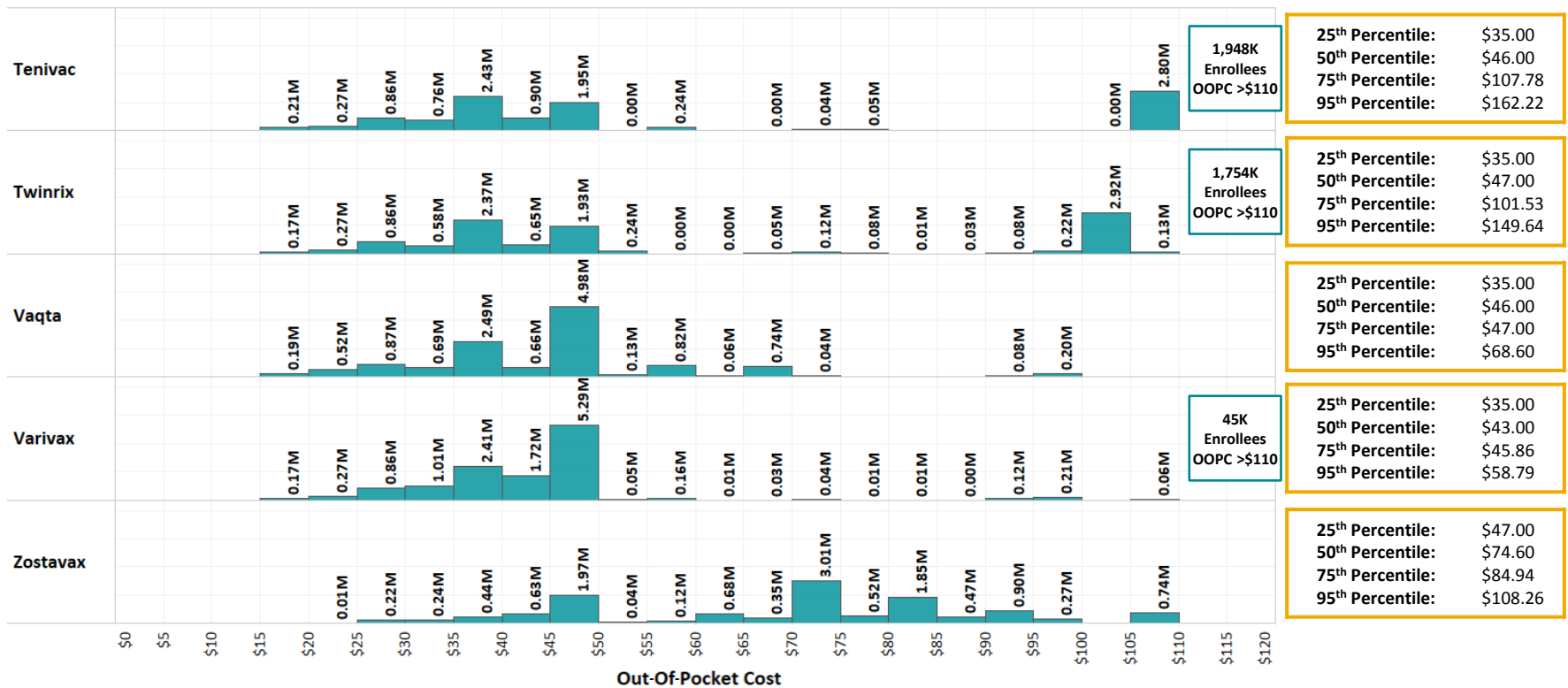
Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. The visual distribution was artificially cut at \$110. Out-of-pocket costs above \$110 are indicated separately.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Benefit Designs in PDPs Resulted in Less than One Quarter of Non-LIS Enrollees Having Access to Most of These Vaccines for Under \$35

Chart 14b: 2017: Distribution of Non-LIS PDP Enrollees Across Levels of Estimated Out-of-Pocket Cost by Vaccine (*Second Five Vaccines*) 33

- Median estimated cost sharing ranged between \$27 and \$75 depending on the vaccine
- Estimated out-of-pocket costs can exceed \$100 for some non-LIS PDP enrollees depending on the vaccine



Notes: Analysis of all non-low income subsidy (LIS) enrollees in MA-PDPs and PDPs. Excludes enrollees from demonstrations, national programs for all-inclusive care for the elderly (PACE) plans, employer group waiver plans (EGWPs), employer direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files. The visual distribution was artificially cut at \$110. Out-of-pocket costs above \$110 are indicated separately.

Sources: Manatt analysis of Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for 2015Q2, 2016Q2, and 2017Q2; Medicare Part D Contract and Enrollment Data. See Methodology section for greater detail.

Methodology

Medicare Part D plans that provide coverage for the vaccines studied were identified using the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files for the second quarter of 2015, 2016, and 2017.

- Information regarding tier label names, including whether a plan designated a vaccine-only tier, came from the Plan Benefit Package (PBP) files corresponding to that study year.
- Enrollment numbers for each plan came from the Medicare Advantage (MA)/Part D Contract and Enrollment Data files by state and county, along with Medicare Part D Low-Income Subsidy (LIS) Enrollment files for each year studied.
- The analysis does not include enrollees in demonstrations, PACE, EGWP, employer-direct contract plans, and plans where data are suppressed in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files.

No plans in the Medicare Prescription Drug Plan Formulary, Pharmacy Network, and Pricing Information Quarterly Files listed Tenivac in their 2015Q2 formulary.

Out-of-pocket amounts correspond to use of a single dose by a hypothetical non-LIS enrollee for the adult formulation version for each vaccine

- The out-of-pocket amount calculations apply the specific Part D formulary and plan benefit design to the vaccine cost per administration as provided in the Part D public use files for each plan and do not reflect an analysis of actual utilization captured in claims data. The analysis assumed that the enrollee purchased the vaccine through a preferred retail pharmacy, whenever the plan has one available; that the enrollee was in the initial coverage phase of his/her Part D benefit (i.e., not in the donut hole or catastrophic coverage); and that the enrollee did not have secondary insurance or Medicaid coverage.
- When multiple National Drug Codes (NDCs) are available, the analysis assumed the enrollee would purchase the NDC that had the lowest out-of-pocket cost for that plan. When copayments or coinsurance amounts exceeded the average cost of the vaccine, the analysis set the out-of-pocket amount to equal the total vaccine cost.
- Average out-of-pocket amounts by state, by plan type (MA-PDPs versus PDPs) and nationally were calculated by weighting the out-of-pocket amount for each plan by the plan's total non-LIS subsidy enrollment.

Sources

- Centers for Medicare & Medicaid Services. (2016). Medicare Prescription Drug Benefit Manual. Chapter 6: Section 20.4 and 30.2.7. <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Part-D-Benefits-Manual-Chapter-6.pdf>
- Centers for Medicare & Medicaid Services. (2011). Announcement of Calendar Year (CY) 2012 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies and Final Call Letter. <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospice/Downloads/CY2012-Hospice-Rates-FinalCallLetter.pdf>
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- Centers for Medicare & Medicaid Services. Benefits Data for MA and Part D. <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDEnrolData/Benefits-Data.html?DLSort=0&DLEntries=10&DLPage=2&DLSortDir=ascending> [PBP CY 2015, 2016 and 2017 files accessed September 2017]
- Centers for Medicare & Medicaid Services. Medicare Advantage/Part D Contract and Enrollment Data. <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDEnrolData/index.html?redirect=/mcradvpartdenroldata/>