



Part D Plans Generally Include Drugs Commonly Used By Dual-Eligible Enrollees: 2023

Why OIG Did This Review

For dual-eligible enrollees—that is, people enrolled in both Medicare and Medicaid—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 people enrolled in Medicare—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-eligible enrollees.²

What OIG Did

For this report, we determined whether the 445 unique formularies used by the 5,619 Part D plans operating in 2023 cover 195 of the 200 drugs most commonly used by dual-eligible enrollees. See the methodology for more information about how we determined the most commonly used drugs. This is OIG’s thirteenth annually mandated report examining dual-eligible enrollees’ access to drugs under Medicare Part D.

Key Takeaway

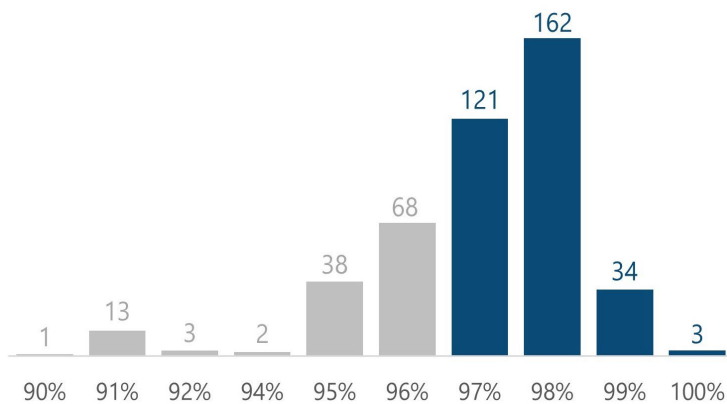
Dual-eligible enrollees have access to the majority of commonly used drugs in 2023 via Part D plans.

This is consistent with OIG’s findings from previous years. Dual-eligible enrollees 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 445 Part D plan formularies covered almost all (at least 97 percent) of the drugs most commonly used by dual-eligible enrollees.

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



Percentage of commonly used drugs included in formulary
Source: OIG analysis of formulary data, 2023.

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 (92 of 130) covered at least 97 percent of the drugs commonly used by dual-eligible enrollees.




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-eligible enrollees do not need to pay additional amounts in premiums for these plans.⁴
- When CMS randomly assigns dual-eligible enrollees 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 2023, 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	

Source: OIG analysis of formulary data, 2023.

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



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



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



Dual-eligible enrollees can **pay out of pocket** for the noncovered drugs.

Conclusion

When establishing formularies, Part D plans are permitted to balance Medicare enrollees' 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 enrollees to access the prescription drugs they need.

In general, dual-eligible enrollees have access to nearly all of the most commonly used drugs via their Part D plan formularies in 2023. 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 2022. Dual-eligible enrollees 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	10%	Valsartan	100%	Valacyclovir Hcl	100%
Canagliflozin	25%	Benazepril Hcl	100%	Timolol Maleate	100%
Insulin Lispro	45%	Lovastatin	100%	Labetalol Hcl	100%
Umeclidinium Bromide	60%	Tizanidine Hcl	100%	Methylprednisolone	100%
Insulin Degludec	66%	Apixaban	100%	Ondansetron	100%
Insulin Aspart	67%	Isosorbide Dinitrate	100%	Losartan/Hydrochlorothiazide	100%
Insulin Detemir	69%	Letrozole	100%	Nitrofurantoin Monohyd/M-Cryst	100%
Tiotropium Bromide	74%	Insulin Nph Hum/Reg Insulin Hm	100%	Levocetirizine Dihydrochloride	100%
Omega-3 Acid Ethyl Esters	78%	Verapamil Hcl	100%	Hydroxychloroquine Sulfate	100%
Linagliptin	81%	Irbesartan	100%	Levofloxacin	100%
Travoprost	82%	Ramipril	100%	Mupirocin	100%
Hydroxyzine Pamoate	82%	Doxepin Hcl	100%	Hydrocortisone	100%
Sitagliptin Phosphate	87%	Varicella-Zoster Ge/As01b/Pf	100%	Icosapent Ethyl	100%
Umeclidinium Brm/Vilanterol Tr	88%	Dorzolamide Hcl/Timolol Maleat	100%	Fluticasone Propion/Salmeterol	100%
Esomeprazole Magnesium	92%	Colchicine	100%	Dicyclomine Hcl	100%
Linaclotide	93%	Fenofibrate	100%	Sucralfate	100%
Budesonide/Formoterol Fumarate	93%	Calcitriol	100%	Ezetimibe	100%
Alprazolam	93%	Primidone	100%	Triamterene/Hydrochlorothiazid	100%
Semaglutide	94%	Amiodarone Hcl	100%	Amitriptyline Hcl	100%
Liraglutide	95%	Methotrexate Sodium	100%	Pioglitazone Hcl	100%
Brimonidine Tartrate/Timolol	95%	Sacubitril/Valsartan	100%	Doxycycline Hyclate	100%
Olopatadine Hcl	95%	Enalapril Maleate	100%	Torsemide	100%
Fluticasone/Vilanterol	96%	Pramipexole Di-Hcl	100%	Fluconazole	100%
Bimatoprost	96%	Cyclosporine	100%	Ciprofloxacin Hcl	100%
Fluticasone/Umeclidin/Vilanter	96%	Clindamycin Phosphate	100%	Naproxen	100%
Olmесartan Medoxomil	98%	Bumetanide	100%	Carbidopa/Levodopa	100%
Fenofibrate Nanocrystallized	99%	Doxazosin Mesylate	100%	Digoxin	100%
Sevelamer Carbonate	99%	Phenytoin Sodium Extended	100%	Lacosamide	100%
Insulin Glargine,hum.Rec.Anlog	99%	Prednisolone Acetate	100%	Oxcarbazepine	100%
Celecoxib	99%	Nitroglycerin	100%	Diazepam	100%
Empagliflozin	99%	Estradiol	100%	Ipratropium/Albuterol Sulfate	100%
Dulaglutide	99%	Chlorthalidone	100%	Lactulose	100%
Rivaroxaban	99%	Brimonidine Tartrate	100%	Paliperidone Palmitate	100%
Nifedipine	100%	Acetaminophen With Codeine	100%	Amoxicillin/Potassium Clav	100%

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
Ondansetron Hcl	100%	Spironolactone	100%	Escitalopram Oxalate	100%
Sulfamethoxazole/Trimethoprim	100%	Oxybutynin Chloride	100%	Risperidone	100%
Amoxicillin	100%	Latanoprost	100%	Simvastatin	100%
Lisinopril/Hydrochlorothiazide	100%	Cyclobenzaprine Hcl	100%	Montelukast Sodium	100%
Ropinirole Hcl	100%	Baclofen	100%	Mirtazapine	100%
Ketoconazole	100%	Allopurinol	100%	Tamsulosin Hcl	100%
Morphine Sulfate	100%	Pravastatin Sodium	100%	Fluticasone Propionate	100%
Finasteride	100%	Meloxicam	100%	Metoprolol Tartrate	100%
Cephalexin	100%	Ibuprofen	100%	Quetiapine Fumarate	100%
Mecizine Hcl	100%	Bupropion Hcl	100%	Nystatin	100%
Propranolol Hcl	100%	Aripiprazole	100%	Metoprolol Succinate	100%
Mirabegron	100%	Oxycodone Hcl/Acetaminophen	100%	Albuterol Sulfate	100%
Promethazine Hcl	100%	Fluoxetine Hcl	100%	Divalproex Sodium	100%
Venlafaxine Hcl	100%	Rosuvastatin Calcium	100%	Losartan Potassium	100%
Hydroxyzine Hcl	100%	Olanzapine	100%	Hydrocodone/Acetaminophen	100%
Glimepiride	100%	Benzotropine Mesylate	100%	Trazodone Hcl	100%
Zolpidem Tartrate	100%	Lorazepam	100%	Potassium Chloride	100%
Clozapine	100%	Memantine Hcl	100%	Sertraline Hcl	100%
Triamcinolone Acetonide	100%	Clonazepam	100%	Pantoprazole Sodium	100%
Azithromycin	100%	Levetiracetam	100%	Metformin Hcl	100%
Alendronate Sodium	100%	Warfarin Sodium	100%	Omeprazole	100%
Metoclopramide Hcl	100%	Citalopram Hydrobromide	100%	Furosemide	100%
Isosorbide Mononitrate	100%	Bupirone Hcl	100%	Lisinopril	100%
Paroxetine Hcl	100%	Prednisone	100%	Gabapentin	100%
Atenolol	100%	Lamotrigine	100%	Amlodipine Besylate	100%
Oxycodone Hcl	100%	Clopidogrel Bisulfate	100%	Atorvastatin Calcium	100%
Clonidine Hcl	100%	Famotidine	100%	Levothyroxine Sodium	100%
Diltiazem Hcl	100%	Diclofenac Sodium	100%	Folic Acid**	Excluded
Topiramate	100%	Duloxetine Hcl	100%	Ranitidine Hcl***	Excluded
Hydralazine Hcl	100%	Tramadol Hcl	100%	Ergocalciferol (Vitamin D2) ***	Excluded
Glipizide	100%	Carvedilol	100%	Cholecalciferol (Vitamin D3) ***	Excluded
Pregabalin	100%	Donepezil Hcl	100%	Alcohol Antiseptic Pads***	Excluded
Carbamazepine	100%	Hydrochlorothiazide	100%		

Source: OIG analysis of drugs commonly used by dual-eligible enrollees, 2023.

* 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 enrollee 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 2023 cover the prescription drugs most commonly used by dual-eligible enrollees.

- We used the 2020 Medicare Current Beneficiary Survey (MCBS) Cost and Use data to create a list of drugs with the highest utilization by dual-eligible enrollees.
- We used the February 2023 First DataBank National Drug Data File to identify the drug product information for the drugs with the highest utilization by dual-eligible enrollees.
- To determine the drugs most commonly used by dual-eligible enrollees, we took the following steps:
 - We created a list of all drugs reported by dual-eligible enrollees surveyed in the 2020 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-eligible enrollees.
- Of the top 200 drugs, we analyzed 195 drugs for this review. We removed four drugs not covered under Part D and one drug for which we were unable to confidently project use to the entire dual-eligible enrollee population.
- We collected from CMS the formulary data and the plan data for Part D plans operating in 2023. The formulary data include Part D plans' formularies for plans operating in 2023.
- We then analyzed the unique Part D plan formularies to determine their rates of inclusion of the drugs commonly used by dual-eligible enrollees. 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

Jonathan Carroll served as the project leader for this study. Office of Evaluation and Inspections headquarters staff who provided support include Robert Gibbons, Sarah Swisher, and Mike Novello. This report was prepared under the direction of Laura Kordish, Regional Inspector General for Evaluation and Inspections in the Chicago regional office; Adam Freeman, Deputy Regional Inspector General; and Hilary Slover, Assistant Regional Inspector General.

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-eligible enrollees, rather than only for full-benefit dual-eligible enrollees as specified by the mandate. (Under Social Security Act § 1935(c)(6), full-benefit dual-eligible enrollees 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-eligible enrollees—and thus the drugs they used—from the total population of dual-eligible enrollees.

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

⁴ Medicare subsidizes dual-eligible enrollees' 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-eligible enrollees 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. As an additional protection, Section 3305 of the Patient Protection and Affordable Care Act also requires that dual-eligible enrollees who are reassigned to a different plan receive a letter outlining the formulary coverage in their new plan for the drugs they are taking. The Patient Protection and Affordable Care Act, P.L. No. 111-148, § 3305.

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.