

NEWS

September 16, 2002

ELDERS DELAY VITAL MEDICAL TREATMENT FROM CONCERN OVER DRUG COSTS

*--Common senior diseases could be treated for less,
with better access to medication --*

TALLAHASSEE--One third of all elder Floridians, lacking drug coverage and unaware of special prescription drug discount programs, are endangering their health by delaying vital medical treatments. That is only one of the disturbing findings in a new statewide study that suggests a need for intense public education among elders about special new discount drug programs that could offer until the passage of a national prescription drug program.

The study was conducted by Dr. Tim Lynch, director of the Florida State University Center for Economic Forecasting and Analysis. It dramatically documents the unnecessary risks many elders are taking by postponing medical visits to treat diabetes, depression and osteoporosis until hospitalization is the only option.

“Tragically, these are all treatable diseases if they are treated early, but too many Florida seniors are putting off treatment until their conditions are serious or even grave,” said Lynch. “Low income seniors are particularly hard-hit because most don’t have drug coverage or the resources to pay for the medications they need.”

The study, which was sponsored by Eli Lilly and Company, suggests the need for a long-range solution – prescription drug coverage for elders in the Medicare program – but also points toward some short-term help available in discount drug programs.

The study looked at Medicare costs in Arizona, Arkansas, Florida, Georgia, North Carolina and Texas resulting from hospital stays for the treatment of depression, diabetes and osteoporosis. It found that more than 45,000 Medicare recipients were hospitalized

an average of 8.2 days for the treatment of these illnesses at a cost of nearly \$298 million. At an average cost of \$15,930 per hospital stay, this method of treatment costs many times more than it would cost to treat these illnesses with medication.

According to the study, an estimated \$103 million in hospital costs across the six states could have been saved if patients were treated in primary care settings with appropriate medications. Nationally that could translate to more than a half billion in savings for these three diseases alone.

Among the findings:

- **Depression**--2001 Medicare payments for acute care hospital treatment for the 13,510 seniors studied totaled \$90 million. Since 70 percent of depressed patients respond to medication therapy, the potential Medicare savings with drug therapy would be \$49.5 million. In Florida, Medicare spending for 4,851 seniors studied totaled \$30.6 million, for potential savings of \$ 21.4 million.
- **Diabetes**—Medicare payments for diabetes for the more than 30,000 seniors included in the study totaled \$197 million. Assuming only half of these hospitalizations could be prevented with early detection, intervention and treatment with prescription drugs, potential annual savings would be \$49.2 million. In Florida, Medicare spending for 7,948 seniors with diabetes totaled \$ 49.9 million, for potential savings of \$ 24.9 million.
- **Osteoporosis**—Medicare payments for osteoporosis for the 1,386 seniors included in the study totaled \$11.3 million. If the 767 cases categorized as “minor” or “ moderate” had been treated early with effective prescription medication, Medicare could have saved \$4.1 million. In Florida, Medicare spending for 397 seniors was \$3.4 million, of which an estimated \$1.25 million could have been saved.

A recent study by the Commonwealth Fund documented that older people in the United States are much more likely to forego medication because they can't afford to fill a prescription than their counterparts in four other developed countries. In fact, almost one-third of Medicare clients—typically those with the lowest incomes--have no supplemental medication coverage. As a result these seniors often put off seeking care until the conditions become critical or life-threatening.

“Clearly, a comprehensive prescription drug benefit for Medicare recipients is not only humane and badly needed public policy, but it also will save money by reducing expensive hospitalizations,” said Senator Richard Mithell. “In the meantime, we need to make seniors aware of all the assistance that’s available to them so they don’t postpone treatment.”

State and private initiatives are underway to help improve seniors` access to prescription drugs.

Government Jeb Bush recently unveiled a new “Silver Saver” program aimed at providing additional drug subsidies to seniors with incomes 88 percent to 120 percent below poverty.

“Silver Saver and credible programs offered by individual drug companies are an important short-term solution to help cover income series access the medications they need to stay healthy,” said Department of Elder Affairs Deputy Secretary Susan Tucker, “But we need to work together to make sure they know about available programs and, most importantly, how they can access.”

Some pharmaceutical companies also have stepped up with special programs designed to significantly reduce the financial burden that America’s needies seniors confront in getting their medicines.

The LillyAnswers program, which was announced in April, offers eligible seniors any retail drug that Lilly produces for a flat fee of \$12 per month per prescription. To date, more than 9,500 Floridians signed up for the program. Lily is actively working with legislators, state agencies and senior groups to reach out to the thousands more who may be eligible but are not enrolled.

“While Congress is working out the details for providing all seniors with prescription drug coverage, we wanted to help the seniors who are most in need access the medications that treat some of the most common and serious ailments of aging,” said Gail Cordial, manger of public affairs for Eli Lilly. “As this study shows, the costs of delaying treatment – in dollars and human suffering – are significant.”

LillyAnswers is available to Medicare-enrolled U.S. citizens 65 or older who have individual annual incomes below \$18,000 or household incomes below \$24,000. Seniors who meet these requirements can apply for the LillyAnswers card by calling 1-877-RX-LILLY (1-877-79-54559) to request an application. Program enrollment is free, and the application process takes two to four weeks. The card is widely accepted by retail pharmacies across Florida including major chains such as Eckerds, Walgreens, Wal-Mart, and Publix.

###