

Medicare Fact Sheet

December 2, 2003

HELP FOR CHRONICALLY ILL BENEFICIARIES: THE MEDICARE DISEASE MANAGEMENT DEMONSTRATION

The Medicare Disease Management Demonstration will provide disease management services and a comprehensive prescription drug benefit to certain severely chronically ill beneficiaries to test whether disease management in the traditional fee-for-service program leads to improved outcomes and lower total costs to Medicare. Up to 30,000 eligible Medicare fee-for-service beneficiaries with diagnosed, advanced stage congestive heart failure, diabetes, or coronary artery disease will be enrolled in the treatment arm of the study during the three-year project. Eligible Medicare beneficiaries throughout California, Arizona and parts of Louisiana and Texas will be recruited for participation in the demonstration beginning in 2004.

Background

The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 mandated this demonstration to evaluate how disease management services combined with a prescription drug benefit can improve the health outcomes of Medicare beneficiaries diagnosed with an inpatient hospital stay or other indicators of advanced-stage illness in congestive heart failure, diabetes, or coronary heart disease. The disease management services and drug benefit will be added to the benefits currently provided by Medicare at no additional cost to beneficiaries except for a modest co-payment for prescription drugs. The Centers for Medicare and Medicaid Services selected three organizations for implementation of the demonstration: CorSolutions of Rosemont, Illinois; XLHealth of Baltimore, Maryland; and HeartPartnersSM, a Santa Ana, California-based collaboration among PacifiCare, QMed and Alere Medical.

Disease Management Services

Disease management services are designed to prevent complications from arising and to provide patients with information and support to help manage symptoms in between

doctor visits. While each disease management organization has a specific program for the targeted conditions, the most common elements of disease management include (1) education of patients regarding their disease, self-management, medication use, symptom control, and lifestyle changes; (2) monitoring of clinical symptoms and treatment compliance; and (3) feedback and support to physicians about patient status and best practice implications.

Prescription Drug Benefit

The demonstration includes coverage of most prescription drugs, even those not related to the beneficiary's targeted condition. The disease management organizations will be the primary payer for prescription drugs, even if the beneficiary has prior coverage for drugs through a private or other public program (e.g., Medicaid). Beneficiaries may be subject to modest cost sharing for prescription drugs.

Demonstration Locations

Louisiana - CorSolutions will be providing services to 5,000 Medicare beneficiaries with congestive heart failure, diabetes, and/or coronary heart disease residing in the Shreveport – New Orleans corridor of Louisiana. The pharmacy benefit will be provided through Express Scripts. Please call CorSolutions with any questions you may have about the program toll free at 800-917-2204 and ask to speak with a Medicare Enrollment Specialist or visit www.corsolutions.com and follow the link to the Medicare Louisiana Demonstration Program.

Texas - XLHealth will be providing services to 10,000 Medicare beneficiaries with congestive heart failure (CHF), cardiovascular disease (CVD), or diabetes with comorbidities of CHF, CVD or lower extremity complications in metropolitan areas of Texas. The pharmacy benefit will be provided through PBM Plus (an Omnicare company). Please call XLHealth with any questions you may have about the program toll free at 1-888-248-0001 or visit www.xlhealth.com.

California & Arizona - HeartPartnersSM will be providing services to 15,000 Medicare beneficiaries with congestive heart failure in California and Arizona. The pharmacy

benefit will be provided through PacifiCare's Prescription Solutions. Please call HeartPartners with any questions you may have about the program toll free at 1-866-242-3432 between the hours of 8:00 a.m. and 5:00 p.m., Pacific Time, or visit www.rxsolutions.com/heartpartners.

Study Design

Up to 30,000 fee-for-service Medicare beneficiaries who qualify for the project will be enrolled into a disease management program during the three-year demonstration period beginning in early 2004. Eligible beneficiaries who participate will be randomly assigned to either a disease management group or a usual care group. The disease management group will be enrolled in the disease management program and will receive the prescription drug benefit in addition to the usual Medicare benefits. The usual care group receives the same Medicare benefits they have today, without the additional prescription drugs or disease management services. All participants remain under the care of their own doctor no matter to which group they are assigned, and they continue to have the same right to access medical services as they currently have in the Medicare program. The program is voluntary and a beneficiary's decision on whether to participate does not affect their Medicare benefits. Questions about the study design should be directed to Amy Knight at the Centers for Medicare and Medicaid Services by calling 410-786-2307 or by email aknight@cms.hhs.gov. For Medicare related questions, call toll-free 1-800-MEDICARE (1-800-633-4227). This number is available 24 hours per day, 7 days per week.

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