

## Medicare plan to cut off free drugs for the needy Enrollees to lose medicine given by firms via charities

By Thomas Ginsberg, Knight Ridder | November 19, 2005 (In *The Boston Globe*)

PHILADELPHIA -- In an ironic twist, the new Medicare drug program is about to curtail a benefit touted by the pharmaceutical industry and enjoyed by hundreds of thousands of uninsured patients: free medicine.

Under federal rules effective Jan. 1, low-income and elderly patients who enroll in the program, known as Medicare Part D, will lose the ability to get free medications through the drugmakers' tax-deductible charities, known as patient-assistance programs.

Some companies, going further, said this week that they would drop patients who were merely eligible for Part D, whether or not they actually enrolled in it, as allowed under longstanding rules.

As a result, in about six weeks, up to half of the roughly 3 million to 4 million charity patients nationwide may lose free access to more than 1,200 brand-name drugs, according to estimates of three companies. Other recipients should be unaffected.

"Our program always has been to provide access for people with no other coverage," said Carla Burigatto, spokeswoman for London-based AstraZeneca PLC, which has about 250,000 people in its charity program. "Now they will qualify for a government program."

News of the cutoff followed a ruling last week by the Inspector General of the Department of Health and Human Services barring companies from giving free drugs to Part D enrollees, hoping to prevent fraud. While suggesting an alternative charity system, the ruling threw a confusing twist into the already-baffling Medicare prescription-drug program.

"The last thing we need is one more variable in a hopelessly complex situation," said Robert M. Hayes, president of the Medicare Rights Center, an advocacy group based in New York. On Tuesday, Americans could begin to sign up for the new voluntary Medicare prescription-drug coverage. About 42 million Medicare recipients are eligible for the program.

London-based GlaxoSmithKline PLC initially notified Medicare enrollees that they could keep their charity benefits. But the company backtracked this week after realizing that it, too, had been confused by the new rules.

"We're going to have to change our position," said a spokeswoman, Patty Seif, adding that she had no further details.

Some patients, however, may get a choice. At least three manufacturers, Pfizer Inc., Bristol-Myers Squibb Co., and Merck & Co. Inc., said they would let low-income and elderly patients keep the private charity as long as they did not sign up for Medicare.

"Nothing will change" for patients who do not enroll, said Laura Hortas of Bristol-Myers Squibb, which gave \$500 million worth of drugs to about 1 million people last year. But "if they sign up for Medicare Part D, they will not be eligible for our program."

Amy Rose, a spokeswoman for Merck, said the company had encouraged senior citizens to join Part D, but would not punish them if they did not.

"Our broad interest is making sure that the people who need them have access to their medicines. That's the overall goal of everyone in the industry," Rose said.

Among patients depending on the assistance are at least 6,000 indigent people with HIV or AIDS, according to the advocacy group Title II Community Aids National Network. They have called on federal officials to relax the rule.

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