Impact of Insulin Copay Cap Legislation on Savings, Adherence, and Utilization Among Health Plan Medicare Beneficiaries

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BACKGROUND

- High insulin costs are associated with patient non-adherence to their prescribed use of insulin which can lead to further health complications.
- Member out-of-pocket costs have continued to rise; from 2007 to 2022, out-of-pocket spending on insulin for Medicare Part D enrollees quadrupled from $236 million to $1.03 billion.[1]
- A survey report from the American Diabetes Association (ADA) revealed that 1 in 4 insulin users have said that the cost of insulin has impacted their insulin use by requiring them to cut back or skip doses.[2,3]
- At the beginning of 2023, the implementation of the Inflation Reduction Act (IRA) capped copayments for Medicare beneficiaries at $35 for each 30-day supply of insulin.[4,5]
- It was estimated that 1.5 million Medicare beneficiaries will benefit from the legislation, and if this was implemented in the year 2020, part D beneficiaries' cost savings would have amounted to around $734 million, with an average of $500 per beneficiary in the measurement year.[5]
- This recent legislation can potentially create meaningful savings for Medicare beneficiaries and increase adherence to insulin treatment regimens.

OBJECTIVES

- Determine the effect of the insulin copay cap legislation on member copayments for insulin between 2022 and 2023.
- Identify relationships between copayments for insulin and adherence, average income, gender, and utilization of glucagon-like-peptide-1 (GLP-1) agonists.

METHODS

- A retrospective claims analysis was conducted for Medicare beneficiaries of a single health plan.
- Claims data was compared between the pre-intervention period of January 1, 2022 to June 30, 2022, and the post-intervention period of January 1, 2023 to June 30, 2023.
  - The intervention was the implementation of the Inflation Reduction Act, which capped insulin copayments at $35 for each 30-day supply of insulin.
- Members were included in the retrospective claims analysis if they had at least 2 paid insulin claims in the pre- and post-intervention periods.
  - Prescription claims were utilized to compare member copayments and adherence to their insulin regimens.
    - Adherence was measured using the proportion of days covered (PDC).
  - Members were also categorized into an average income range by their zip code based on the 2020 US Census data.
  - The utilization of GLP-1 agonists was also compared to the utilization of insulin for members with claims for both.

RESULTS

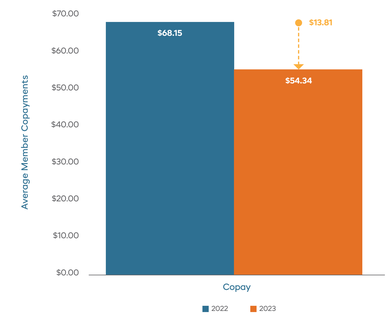
FIGURE 1: PROJECT TIMELINE



TABLE 1: BASELINE DEMOGRAPHICS

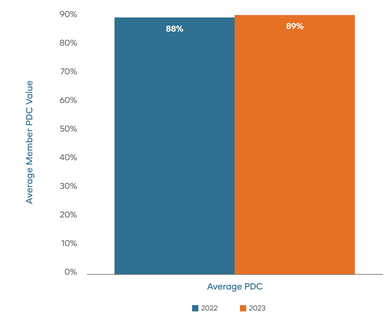
	2022	2023
Mean Age, years (SD)	77.1 (6.6)	76.6 (6.3)
Female, n (%)	33 (46.5%)	26 (44.1%)
Male, n (%)	38 (53.5%)	33 (55.9%)
Average Income	$71,004.38	$71,682.56

FIGURE 2: AVERAGE MEMBER COPAYMENTS PRE- AND POST-IRA IMPLEMENTATION



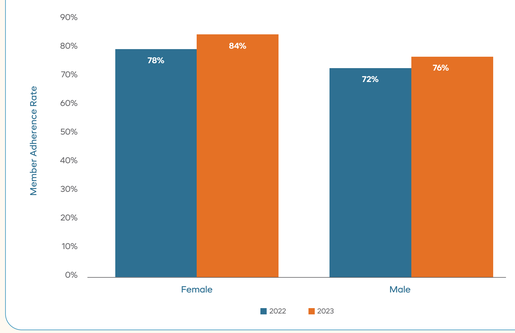
Post-IRA implementation, there was a statistically significant decrease in the average of member copayments for insulin between 2022 ($68.15) and 2023 ($54.34) ($p < 0.001$).

FIGURE 3: OVERALL MEMBER AVERAGE PDC PRE- AND POST-IRA IMPLEMENTATION



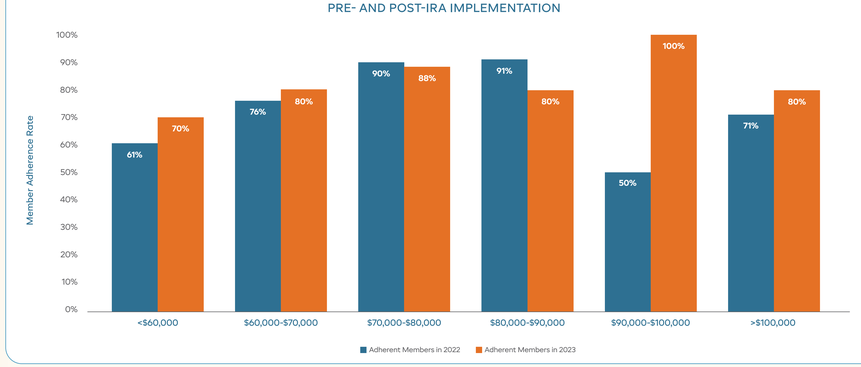
Post-IRA implementation, there was a non-statistically significant increase in PDC between 2022 (87.82%) and 2023 (88.62%) ($p = 0.437$).

FIGURE 4: PROPORTION OF ADHERENT (PDC ≥ 80%) MEMBERS STRATIFIED BY GENDER



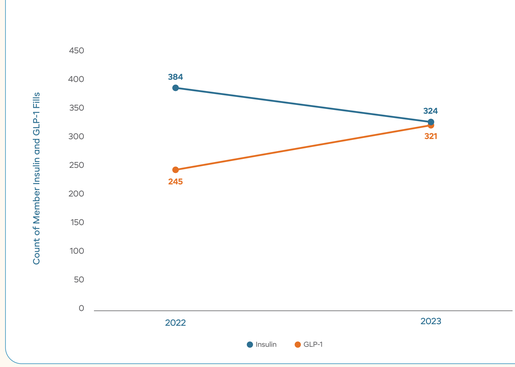
While females were predominantly more adherent compared to males, adherence in both groups demonstrated a non-statistically significant increase after experiencing a reduction in copayments for insulin ($p = 0.169$).

FIGURE 5: PROPORTION OF ADHERENT (PDC ≥ 80%) MEMBERS BY AVERAGE INCOME RANGES PRE- AND POST-IRA IMPLEMENTATION



Although the overall ANOVA model was not significant, post hoc comparisons indicated a trend in which the adherence in the <$60,000 income group was lower than both the $70,000-79,999 ($p = 0.01$) and $80,000-89,999 ($p = 0.04$) income groups.

FIGURE 6: INSULIN VS. GLP-1 MEMBER UTILIZATION



Post-IRA implementation, insulin utilization decreased ($p=0.071$) while utilization of GLP-1 agonists significantly increased ($p=0.03$).

CONCLUSIONS

- The retrospective claims analysis revealed that the implementation of the insulin copay legislation significantly lowered insulin copayments for Medicare beneficiaries of the studied health plan.
- After the analysis, a trend was identified between members' level of adherence and their average income range. Individuals in the average income of ≤ $60,000 group had lower levels of adherence compared to those in the $70,000-79,999 and $80,000-89,999 income groups.
- Despite IRA implementation, between 2022 and 2023, insulin utilization decreased while the utilization of GLP-1s significantly increased.

FUTURE DIRECTIONS

- Continuous monitoring will be required to ensure that members are receiving capped copayments for insulin and that insulin adherence measures are improving.
- Further studies will be needed to assess the IRA impact on persistence, and larger sample studies may also wish to examine differences in adherence between average income groups.
- To assess other social determinants of health, further studies may also wish to address trends with race, ethnicity, and age regarding adherence to insulin treatment regimens after implementation of the IRA.

DISCLOSURE

This research was conducted by Navitus Health Solutions, Madison, WI without external funding.

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