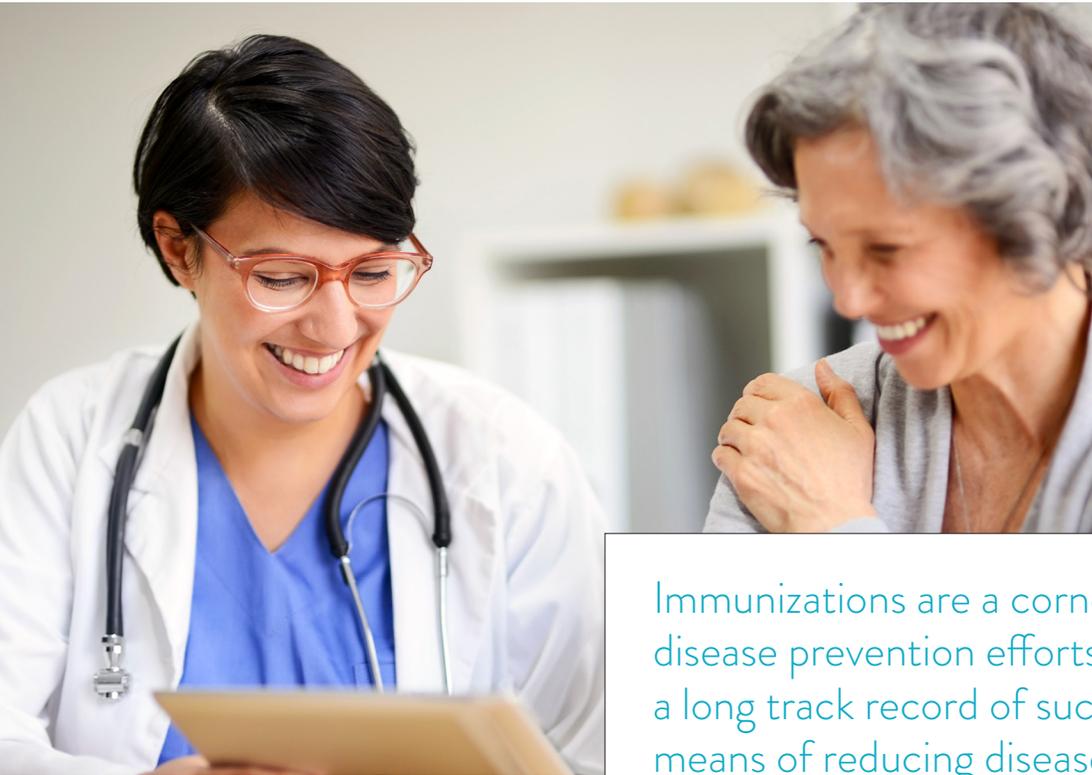


Financial Barriers to Adult Immunization

What Congress and the Administration Can Do

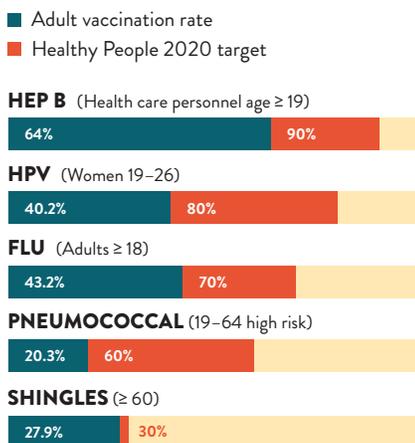


1 Expand first dollar coverage of vaccines to Medicare Part D, enhance provider billing for Part D vaccines, and improve vaccine information and education for beneficiaries.

2 Work with CMS to encourage Medicare Advantage and stand-alone Prescription Drug Plans (MA-PD) to include immunizations in the zero-cost sharing vaccine tier.

Immunizations are a cornerstone of our nation’s disease prevention efforts and have demonstrated a long track record of success as a cost-effective means of reducing disease burden and saving lives.

Adult vaccination rates remain low in the U.S. and far below Healthy People 2020 targets



Despite the well-known benefits of immunizations, more than 50,000 adults die from vaccine-preventable diseases while adult coverage remains below Healthy People 2020 targets for most commonly recommended vaccines (influenza, pneumococcal, tetanus, hepatitis B, herpes zoster, HPV). Millions more adults suffer from vaccine-preventable diseases, causing them to miss work and leaving them unable to care for those who depend on them. At risk populations, including the elderly, are particularly vulnerable to the adverse health consequences of vaccine-preventable disease.

persons. Low adult immunization rates not only impact unvaccinated individuals themselves but also have repercussions for families and entire communities.

Adults seeking access to and coverage for vaccines encounter a confusing health care system that presents multiple barriers, including lack of adequate information about recommended vaccines, financial hurdles, and technological and logistical obstacles.

With the aging of the U.S. population, the public health impact of vaccine-preventable diseases and their complications among adults is likely to grow unless we quickly and substantially improve access to and utilization of adult vaccines, especially among Medicare beneficiaries.

Part D Cost Sharing

Individuals with commercial health insurance coverage, and certain Medicaid populations currently have first dollar coverage for ACIP-recommended vaccines, meaning there is no added cost for the patient.

However, Medicare beneficiaries encounter cost sharing for certain vaccines due to the lack of consistent coverage under Medicare Part D drug plans.

Medicare Part B covers vaccinations to protect against influenza and pneumococcal, along with tetanus and hepatitis B (for at-risk patients only). Medicare Part D covers all other commercially available vaccines for those beneficiaries who have Part D coverage.

Under Part D, nearly 24 million beneficiaries in stand-alone prescription drug plans (PDPs) are subject to cost sharing requirements ranging from \$14 to \$103 per vaccine.¹ Consequently, the higher the cost sharing, the more likely it is that the beneficiary will not elect to receive the vaccine.

As more vaccines reach the market, Part D cost sharing will pose an increasing burden on Medicare beneficiaries seeking this important preventative medical care.

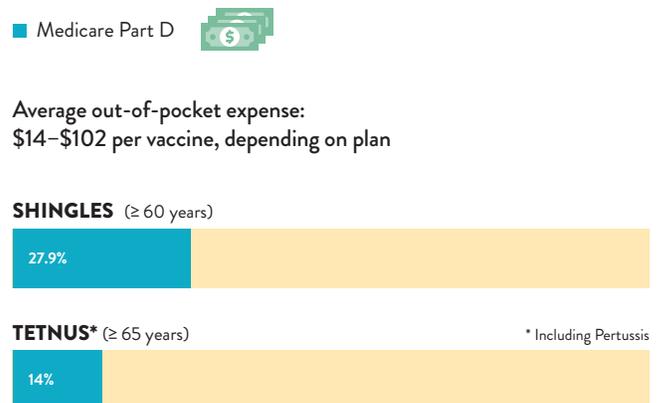
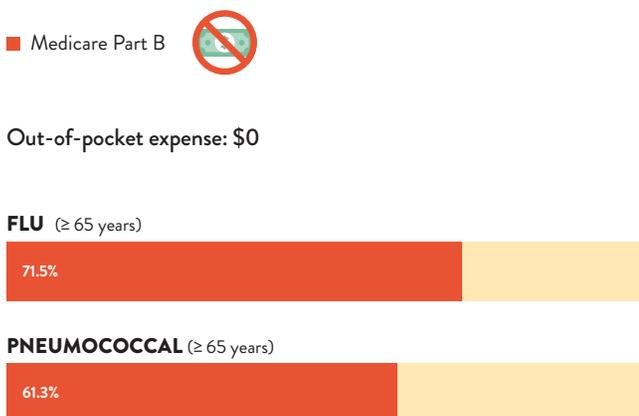


VACCINE-PREVENTABLE ILLNESS AND THE CHRONICALLY ILL

Individuals with chronic conditions, such as diabetes and heart disease, are at significantly higher risk of complications and death from vaccine-preventable conditions such as influenza and pneumonia. According to the American Diabetes Association, people with diabetes are three times more likely than non-diabetics to die after contracting flu and pneumonia, yet only one-third of people with diabetes receive a pneumococcal vaccination.²

Out-of-pocket costs influence Medicare vaccination rates

Immunization rates for vaccines covered under Medicare Part B are often much higher than vaccines covered under Medicare Part D



Sources: http://www.cdc.gov/mmwr/volumes/65/ss/ss6501a1.htm?s_cid=ss6501a1_w; http://go.avalere.com/acton/attachment/12909/f-0297/1/-/-/20160217_Medicare%20Vaccines%20Coverage%20Paper.pdf

Financial Barriers = Lower Immunization Rates

A growing body of evidence shows that financial barriers to vaccines make it much more difficult for beneficiaries to receive immunization services. On the other hand, first dollar coverage of vaccines has been a major factor behind higher immunization rates associated with Medicare Part B-covered vaccines.

A white paper from the Alliance for Aging Research, *Our Best Shot: Expanding Prevention through Vaccination in Older Adults*, examined vaccination rates among older adults. It highlighted a recent intervention in the United Kingdom, where immunization rates increased following the elimination of vaccine copays.³

The National Adult Immunization Plan, an HHS roadmap to the life- and cost-saving potential of vaccines to all adults, cites financial barriers that some Medicare beneficiaries may encounter when accessing vaccines covered by Medicare Part D (e.g., herpes zoster and tetanus, diphtheria, and pertussis [Tdap] vaccines). It also highlights the administrative burdens and encourages additional guidance on how to improve access to vaccines under Medicare Part D.⁵

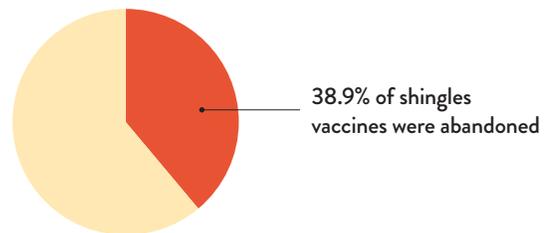
Several studies have found that higher copays are associated with lower vaccination rates among Medicare beneficiaries:

- ◆ A study in AMCP's *Journal of Managed Care Specialty Pharmacy* found that, compared to those who had no co-pay, Medicare Part D beneficiaries who had a copay amount of \$26–50, \$51–75, or \$76–100, respectively, were 1.39, 1.66, or 2.07 times as likely to cancel their zoster vaccination.⁶
- ◆ Another study found that Medicare Part D beneficiaries were less likely to receive their zoster vaccination at a pharmacy when confronted with higher copays.⁷



EXAMPLE :: SHINGLES

Cost is a barrier to improved immunization rates. A study on factors associated with abandonment of the shingles vaccine was published in the July/August 2016 *American Journal of Pharmacy Benefits*. Abandonment is defined as “a patient not receiving the vaccine despite evidence of an initiated fill.” Of the 172,977 initiated fills included in the study, 67,369 were abandoned, an overall abandonment rate of 38.9 percent. Rates varied by patient demographics and health plan characteristics but patient cost sharing was a significant predictor after adjusting for other factors.



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About AVAC

The Adult Vaccine Access Coalition (AVAC) is a diverse group of health care providers, vaccine innovators, pharmacies, public health organizations, patient and consumer groups. AVAC's mission is to raise awareness, improve access, and increase utilization of vaccines among adults. Near universal access to immunizations for children has been one of the greatest public health accomplishments of the 20th century. AVAC seeks to achieve the same level of success for adult immunization.

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Endnotes

1. http://go.avalere.com/acton/attachment/12909/f-0297/1/-/-/-/20160217_Medicare%20Vaccines%20Coverage%20Paper.pdf
2. <http://www.diabetes.org/living-with-diabetes/treatment-and-care/medication/other-treatments/flu-and-pneumonia-shots.html?referrer=https://www.google.com/>
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