

MEDICARE

MEDICARE PART D PRESCRIPTION DRUG PLAN (PDP) AVAILABILITY IN 2009

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The Centers for Medicare & Medicaid Services (CMS) recently released information about the Medicare Part D stand-alone prescription drug plans (PDPs) and Medicare Advantage prescription drug (MA-PD) plans that will be available in 2009.¹ The following text provides an overview of the 2009 PDP options available in the 50 states plus the District of Columbia and key changes from prior years. Data for each state, the District of Columbia, and the territories are provided on the reverse side.

PDP Availability

- In 2009, a total of 1,689 PDPs will be offered nationwide, down from 1,824 PDPs in 2008
- The number of PDPs per region in 2009 will range from a low of 45 PDPs in Alaska to a high of 57 PDPs in the Pennsylvania/West Virginia region
 - These numbers are down slightly from a range of 47 PDPs (Alaska) to 63 PDPs (PA/WV) in 2008

Low-income Subsidy Plans

- The availability of plans for low-income subsidy (LIS) enrollees has decreased significantly over time
 - In 2009, only 18% of plans will be available for enrollment of LIS recipients for \$0 premium, down from 27% of PDPs in 2008 and 34% in 2007
- The number of \$0 premium LIS plans available in 2009 will vary by region, from only 1 PDP in Nevada (out of 49 PDPs) and 2 PDPs in Arizona (out of 49 PDPs) to 16 PDPs in Wisconsin (out of 53 PDPs)
 - LIS plan availability will decline in all regions between 2008 and 2009, with the exception of Wisconsin where the number of LIS plans will hold steady
 - In some regions the decline in LIS plan availability is quite dramatic; for example, in the New Hampshire/Maine region, the number of LIS plans will drop from 18 PDPs in 2008 to 5 PDPs in 2009

Monthly Premiums

- The average monthly PDP premium in 2009 (unweighted by enrollment) will be \$45.45
 - This is a 14% increase from the unweighted average monthly premium of \$40.02 in 2008, and up from \$37.43 in 2006, the first year of the Medicare Part D drug benefit
 - PDP monthly premiums will vary widely in 2009 by region, ranging from a low of \$10.30/month for a PDP in New Mexico to a high of \$136.80/month for a PDP in New York

Deductibles

- In 2009, 45% of PDPs will charge a deductible, with 34% charging the standard \$295 amount
 - This is slightly higher than 2007 and 2008, when 40% and 42% of PDPs, respectively, charged a deductible; the standard deductible amount was \$265 in 2007 and \$275 in 2008

Gap Coverage

- The share of all PDPs offering no gap coverage will increase between 2008 and 2009
 - In 2009, 75% of plans will offer no gap coverage, up from 71% in 2008
- For the 25% of PDPs offering gap coverage in 2009, this coverage will be limited primarily to generic drugs, with no gap coverage for brand-name drugs, as in previous years
 - Less than 1% of PDPs (3 plans in Florida, Michigan, and Wisconsin) will cover a "few" brand-name drugs (defined as less than 10% of brands on formulary) in the coverage gap in 2009
 - 6% of PDPs will cover all generics in the gap
 - 14% of PDPs will cover "many" generics (greater than or equal to 65% to less than 100% of drugs on formulary) in the gap
 - 5% of PDPs will cover "some" generics (greater than or equal to 10% to less than 65% of drugs on formulary) in the gap

¹ "CMS Reminds Medicare Beneficiaries to Review and Compare Their Current Drug Coverage," September 25, 2008; 2009 PDP, MA, and SNP source files available at <http://www.cms.hhs.gov/PrescriptionDrugCovGenIn/>.

Medicare Prescription Drug Plans by State, 2007-2009

STATE	Number of PDPs Offering Gap Coverage												2009 Monthly PDP Premiums	
	Number of PDPs Below Low-Income Subsidy Benchmark						Number of PDPs Offering Gap Coverage							
	Number of PDPs			Benchmark			Some Gap Coverage ¹			No Gap Coverage			Low	High
	2007	2008	2009	2007	2008	2009	2007	2008	2009	2007	2008	2009		
Alabama	56	53	49	17	15	12	17	15	11	39	38	38	\$17.60	\$100.70
Alaska	45	47	45	17	15	7	12	14	11	33	33	34	\$23.10	\$112.90
Arizona	53	51	49	10	7	2	15	15	12	38	36	37	\$11.50	\$102.20
Arkansas	58	55	52	23	18	12	18	16	13	40	39	39	\$13.00	\$108.00
California	55	56	51	14	9	6	14	15	12	41	41	39	\$18.30	\$129.30
Colorado	55	55	53	19	12	8	15	16	13	40	39	40	\$18.40	\$112.70
Connecticut	51	51	47	20	14	12	15	15	12	36	36	35	\$19.40	\$111.30
Delaware	55	52	48	21	18	11	16	15	12	39	37	36	\$18.40	\$111.80
District of Columbia	55	52	48	21	18	11	16	15	12	39	37	36	\$18.40	\$111.80
Florida	57	58	54	10	8	5	16	18	15	41	40	39	\$16.70	\$111.30
Georgia	55	54	50	21	18	11	16	15	12	39	39	38	\$16.10	\$103.40
Hawaii	46	49	47	18	10	5	12	15	12	34	34	35	\$10.70	\$111.10
Idaho	56	54	51	20	14	9	16	15	12	40	39	39	\$18.50	\$113.70
Illinois	56	53	49	23	19	12	16	15	12	40	38	37	\$16.20	\$103.30
Indiana	53	52	48	19	17	12	16	15	12	37	37	36	\$16.80	\$100.90
Iowa	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
Kansas	53	52	48	20	17	10	16	15	12	37	37	36	\$17.40	\$106.90
Kentucky	53	52	48	19	17	12	16	15	12	37	37	36	\$16.80	\$100.90
Louisiana	52	50	47	12	10	7	15	14	11	37	36	36	\$17.90	\$93.60
Maine	53	53	46	21	18	5	16	16	12	37	37	34	\$12.80	\$101.70
Maryland	55	52	48	21	18	11	16	15	12	39	37	36	\$18.40	\$111.80
Massachusetts	51	51	47	20	14	12	15	15	12	36	36	35	\$19.40	\$111.30
Michigan	54	55	51	26	17	11	15	16	13	39	39	38	\$14.80	\$106.00
Minnesota	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
Mississippi	52	49	47	21	15	13	15	14	11	37	35	36	\$18.00	\$108.90
Missouri	53	52	48	15	13	6	16	15	12	37	37	36	\$14.50	\$106.80
Montana	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
Nebraska	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
Nevada	54	53	49	9	5	1	16	15	12	38	38	37	\$19.00	\$116.00
New Hampshire	53	53	46	21	18	5	16	16	12	37	37	34	\$12.80	\$101.70
New Jersey	57	57	52	20	18	7	17	18	13	40	39	39	\$16.70	\$130.20
New Mexico	57	55	50	14	11	7	17	16	12	40	39	38	\$10.30	\$104.00
New York	61	55	51	16	15	9	17	15	12	44	40	39	\$19.60	\$136.80
North Carolina	51	52	49	21	17	11	15	16	13	36	36	36	\$15.20	\$128.50
North Dakota	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
Ohio	60	58	49	22	15	6	17	17	12	43	41	37	\$16.90	\$97.50
Oklahoma	56	52	49	20	13	8	16	15	12	40	37	37	\$16.80	\$102.90
Oregon	57	55	48	20	15	7	17	17	12	40	38	36	\$16.70	\$120.60
Pennsylvania	66	63	57	26	18	9	19	17	13	47	46	44	\$13.70	\$108.00
Rhode Island	51	51	47	20	14	12	15	15	12	36	36	35	\$19.40	\$111.30
South Carolina	59	56	53	26	20	15	16	15	12	43	41	41	\$15.20	\$100.50
South Dakota	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
Tennessee	56	53	49	17	15	12	17	15	11	39	38	38	\$17.60	\$100.70
Texas	60	56	53	19	15	14	17	16	13	43	40	40	\$13.70	\$97.10
Utah	56	54	51	20	14	9	16	15	12	40	39	39	\$18.50	\$113.70
Vermont	51	51	47	20	14	12	15	15	12	36	36	35	\$19.40	\$111.30
Virginia	53	52	48	21	17	13	16	15	12	37	37	36	\$14.30	\$107.10
Washington	57	55	48	20	15	7	17	17	12	40	38	36	\$16.70	\$120.60
West Virginia	66	63	57	26	18	9	19	17	13	47	46	44	\$13.70	\$108.00
Wisconsin	54	57	53	21	16	16	16	17	14	38	40	39	\$13.70	\$102.70
Wyoming	53	52	48	20	16	9	15	16	12	38	36	36	\$15.20	\$106.70
TERRITORY														
American Samoa	3	4	4	0	0	0	1	1	1	2	3	3	\$26.60	\$70.30
Guam	3	4	4	0	0	0	1	1	1	2	3	3	\$28.20	\$69.90
Northern Mariana Islands	3	4	4	0	0	0	1	1	1	2	3	3	\$27.00	\$70.20
Puerto Rico	28	34	33	1	0	0	7	12	11	21	22	22	\$1.00	\$79.40
Virgn Islands	6	7	7	0	0	0	2	2	2	4	5	5	\$24.30	\$87.50

NOTES: ¹ In 2009, one PDP in Michigan covers all generics and "a few" brand-name drugs, and one PDP in Florida and in Wisconsin cover "many" generics and "a few" brand-name drugs. In all other states "Some Gap Coverage" includes plans covering all generics, "many" generics, or "some" generics.

SOURCE: Kaiser Family Foundation analysis of 2007-2009 PDP Landscape Source Data files, Centers for Medicare and Medicaid Services.

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