

Medicare Part D favors generic prescription drugs over branded counterparts, study finds

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Contrary to previous media reports, a new study led by Vanderbilt University Medical Center researchers finds that Medicare Part D prescription drug insurance plans largely favor generic drugs over brand-

name counterparts.

Published this week in *Health Affairs*, the study led by Stacie Dusetzina, Ph.D., Ingram Associate Professor of Cancer Research and associate professor of Health Policy, compared Medicare Part D coverage of more than 1,360 pairs of generic and [brand-name drugs](#). The analysis found 0.9% of plans covered only the brand name drug in 2019, compared to about 84% of plans covering only the generic drug. Roughly 15% of plans covered both the generic and brand-name version.

"What our study found is, in fact, that Part D plan formularies are designed to favor generics much more often than the brand-name counterpart, which, in the end, saves patients money," said Dusetzina, who collaborated with fellow researchers at the Kaiser Family Foundation, Georgetown University and University of Kansas Medical School.

The analysis was done using formulary coverage data from Medicare Part D and Medicare Advantage plans from the Centers for Medicare and Medicaid Services (CMS) for a seven-year period from 2012 to 2019. Over that time, coverage of [generic drugs](#) increased, and brand-name only coverage decreased to less than 1%.

Another important finding is that of the plans that covered both the generic and the brand-name drug, the generic was generally on the same or lower cost-sharing tier than the brand, meaning patients paid less out of pocket for the generic.

"This is good news for patients who have [chronic conditions](#) that may need long-term treatment since generics generally will save both the patient and the program money," Dusetzina said.

More information: Stacie B. Dusetzina et al, Medicare Part D Plans

Rarely Cover Brand-Name Drugs When Generics Are Available, *Health Affairs* (2020). [DOI: 10.1377/hlthaff.2019.01694](https://doi.org/10.1377/hlthaff.2019.01694)

Provided by Vanderbilt University Medical Center

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