

# Medicare paid 50% more for neurology drugs over 5 years while claims rose only 8%

March 10 2021

---



Credit: Pixabay/CC0 Public Domain

A new study of Medicare payments has found that over a five-year period, the payments for medications prescribed to people with neurologic conditions like multiple sclerosis (MS), Parkinson's disease and epilepsy increased by 50% while the number of claims for these prescription medications only rose by only 8%. The study is published in the March 10, 2021, online issue of *Neurology*, the medical journal of

the American Academy of Neurology. The study, funded by the American Academy of Neurology, also found that most of the increase was due to rising costs for neuroimmunology drugs, mostly for multiple sclerosis.

"Previous research has shown that drugs prescribed for neurologic disease are the most expensive part of neurologic care for people on Medicare," said study author Adam de Havenon, MD, of the University of Utah, Salt Lake City, and a member of the American Academy of Neurology. "Our study shows a dramatic increase in the prices of neurologic medications over five years and the increase remained large even after being adjusting for inflation."

For the study, researchers looked at data on Medicare Part D prescription claims from 2013 to 2017. The study included 520 drugs. Of those, 322 were generic drugs, 61 were brand name drugs that did not have a generic equivalent and 137 were brand name drugs with a generic equivalent.

There were 91 million prescription claims for neurologic medications during the study for which Medicare paid \$27 billion dollars.

Researchers found while the number of claims increased only 8%, total payment for neurologic medications increased 50%. Yearly total payments increased from \$4 billion in 2013 to \$6 billion in 2017.

Researchers also found neuroimmunology drugs, mostly for multiple sclerosis, represented over 50% of total payments despite being only 4% of claims. Payments for these drugs increased 47%, from \$3,337 to \$4,902 per [claim](#).

"Most neurologic diseases and disorders are lifelong conditions and people with these disorders need medications to manage symptoms and

reduce disability," said James C. Stevens, MD, FAAN, President of the American Academy of Neurology. "The American Academy of Neurology is dedicated to promoting the highest quality patient-centered neurologic care and lowering [drug](#) prices is a top priority. The American Academy of Neurology is advocating for price controls on Capitol Hill including supporting Medicare drug pricing negotiation."

Adjusted for inflation, payments for brand name drugs increased 42% and brand name drugs with a generic equivalent increased 45% while payments for [generic drugs](#) increased less than 1%.

Of all prescription claims, generic drug prescriptions rose from 82% to 88% of total claims, brand name drug prescriptions rose from 5% to 6% and prescriptions for brand name drugs with a [generic equivalent](#) decreased from 13% to 6%.

"Our research shows generic medications are being prescribed more often, which can help reduce costs, but generic equivalents are not available for all brand name medications," said de Havenon. "The rise in cost of some drugs must stabilize or be reversed. The most effective solution would be to find ways to control the price of drugs. Neuroimmunology drugs for multiple sclerosis are the best place to start."

Provided by American Academy of Neurology

Citation: Medicare paid 50% more for neurology drugs over 5 years while claims rose only 8% (2021, March 10) retrieved 5 May 2024 from <https://medicalxpress.com/news/2021-03-medicare-paid-neurology-drugs-years.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.