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A Systematic Review of the Adverse Effects of Prescription Drug Cost Sharing

To stem increases in prescription drug spending, pharmacy benefit managers and health plans are changing prescription drug benefits to steer patients toward less-expensive drugs or to require patients to assume a share of the costs. A systematic review of published studies analyzed how the salient cost-sharing features of prescription drug benefits may affect access to prescription drugs and synthesized what is known about how these features may affect medical spending and health outcomes. The following are key findings from the review:

- Increased cost sharing is associated with lower rates of prescription drug treatment, worse adherence among existing users, and more frequent discontinuation of therapy. For each 10 percent increase in cost sharing, prescription drug use decreases by 2 percent to 6 percent, depending on the class of drug and the condition of the patient. Benefit caps, prior authorization requirements, and formulary restrictions also decrease prescription drug use.
- For some chronic conditions—such as congestive heart failure, lipid disorders, diabetes, and schizophrenia—increased cost sharing is clearly associated with increased use of other health care services, offsetting any potential cost savings.
- Low-income groups may be more sensitive than others to increased cost-sharing demands, but there is little evidence to support this claim, because studies conducted to date have not had access to information on patients' socioeconomic status.
- The 2006 launch of Medicare Part D presents an opportunity to assess how a yearly benefit cap affects adherence to drug therapy.
- Pharmacy benefit design is an important public health tool for improving population health, but the long-term health consequences of benefit changes are still uncertain.

This fact sheet is part of the RAND Corporation research brief series. RAND fact sheets summarize published, peer-reviewed documents.

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