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New Research from EBRI:

CDHP Switch Leads to Shift in Prescription Drug Use

WASHINGTON—Do consumer-directed health plans (CDHPs) result in lower prescription drug use?

Using data from a large employer that implemented a CDHP, fully replacing traditional managed-care health insurance with a health savings account (HSA), new research from the nonpartisan Employee Benefit Research Institute (EBRI) finds that moving to the HSA-eligible plan reduced the number of both generic and brand-name prescriptions filled.

EBRI's new research, conducted through the EBRI Center for Research on Health Benefits Innovation (EBRI CRHBI), finds that, at the end of the four-year follow-up period, the generic drug rate was greater by 4.5 percentage points for hypertension, 15.4 percentage points for dyslipidemia, and 7.8 percentage points for asthma/COPD (chronic obstructive pulmonary disease). No significant effects were detected for diabetes.

The EBRI report notes that generic drug rates, or GDR, can rise if the number of generic fills increases or if the number of brand-name fills decreases, or a combination of the two. In response to the HSA plan, it was found that higher GDRs were largely achieved due to individuals discontinuing use of brand-name drugs without substituting generic alternatives.

Paul Fronstin, director of EBRI's Health Education and Research Program and author of the report, said CDHP plan sponsors may want to have maintenance medications deemed as preventive, and (like certain cancer screenings) exempt them from the deductible. "Although lower prescription-drug use can save pharmacy costs for plan sponsors, it could also result in even higher downstream medical costs if people stop taking maintenance drugs for chronic diseases," Fronstin said.

Earlier EBRI research showed that while prescription drug use went down, it also resulted in decreased use of maintenance medications for chronic disease, and a worsening of adherence.

The full report, "Brand-Name and Generic Prescription Drug Use After Adoption of a Full-Replacement, Consumer-Directed Health Plan With a Health Savings Account," is published in the March *EBRI Notes*, online at www.ebri.org

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