OPTIMAL COPAYMENT RESTRUCTURING FOR HYPERTENSION PHARMACOTHERAPY

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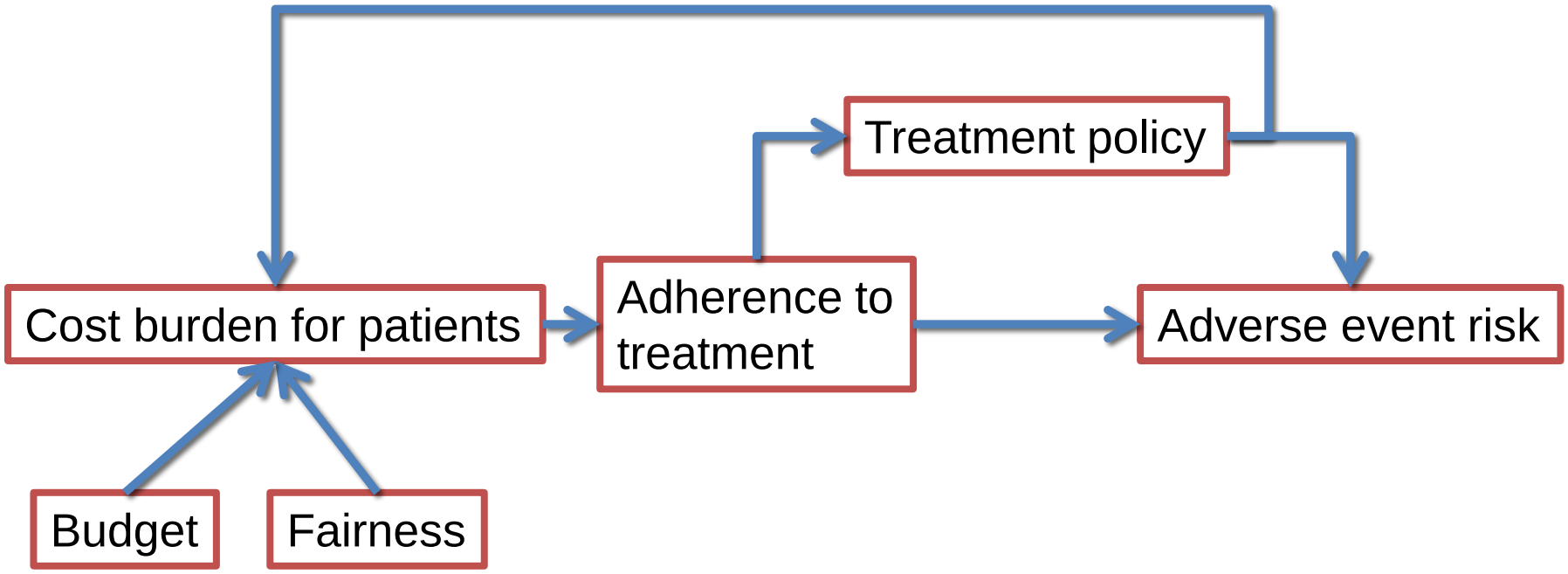
Hypertension Pharmacotherapy Model



Embed dynamic programming model within a nonlinear program to determine optimal copayments

Results for Medicare Patients

Percent of Prescription Cost Covered

	Current Policy	Optimal Policy	
		Budget Neutral	Increased Budget
Patients with Diabetes	**37%**	**100%**	**100%**
Patients without Diabetes	**37%**	**15%**	**100%**

Performance Measures

	Optimal Policy	
	Budget Neutral	Increased Budget
Total Quality-Adjusted Life Years Saved Per 1000 Patients*	**4.20**	**19.19**
Total Lives Saved Per 1000 Patients*	**0.92**	**3.86**
Total Cardiovascular Events Averted Per 1000 Patients*	**2.18**	**10.71**

*Compared to current policy

Conclusion

- Utilitarian approach creates inequity
  - 100% vs. 15% coverage
- Inequity is politically infeasible
- More resources (higher taxes) naturally creates copayment equity
- Cost-effectiveness and tradeoff analysis