



Weekly Checkup

My Premiums for a Horse

JACKSON HAMMOND | SEPTEMBER 30, 2022

Good news, everyone! The Centers for Medicare and Medicaid Services (CMS) announced that Medicare Part B premiums **will decrease** in 2023 for the first time in decades. **Indeed, CMS says Medicare beneficiaries can expect to pay 3 percent less next year for premiums. To no one's surprise, the Biden Administration has trotted out this premium reduction as a big win right before the midterms – but the reality is that CMS was correcting for a major error by the Food and Drug Administration (FDA) last year that shot premiums up by 14.5 percent.**

That error is better known as the Aduhelm fiasco. As **discussed a few times** in the Weekly Checkup, the FDA approved a **controversial** Alzheimer's treatment in 2021 known as Aduhelm, which was designed to slow the onset of Alzheimer's symptoms. **Problems began when the FDA's advisory board voted against approval, but the agency approved Aduhelm for broad use anyway, even beyond populations for which the treatment was considered effective in clinical trials.** The FDA argued that desperate patients deserved the right to try Aduhelm, given that Alzheimer's has few, if any, real treatments. **CMS, expecting it would need to pay for the treatment – and given its price tag and the breadth of the population – therefore bumped 2022 Part B premiums up 14.5 percent to cover its costs.**

Fast forward to April of this year, when CMS **rendered its verdict** on the Alzheimer's treatment, holding that Aduhelm failed to meet the “reasonable and necessary” standard for full Medicare coverage, and that the treatment would only be covered for patients in clinical trials. **That coverage determination was almost entirely responsible for the decrease in Medicare premiums this year – which, again, should be understood as more of a “return to normal” than a genuine decrease.**

There is some good news on the Alzheimer's front, however: A new treatment from Biogen and Eisai, called lecanemab, has shown extremely promising results: Its use reduced cognitive decline by 27 percent compared to placebo. Questions remain about cost and long-term efficacy of the drug, but it's a ray of hope for those suffering from a dark disease. Trials are ongoing, however, so we shouldn't expect FDA approval or CMS coverage decisions for at least a year or two (if not more).

Difficult decisions by FDA and CMS will no doubt continue to make headlines going forward, and there will likely be instances in the near future when coverage of potentially promising but expensive treatments will put direct upward pressure on Part B premiums. But for now, beneficiaries can enjoy a small respite in an otherwise inflationary environment.

CHART REVIEW: INFLUENZA VACCINATION RATES SINCE FALL 2018

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The Centers for Disease Control and Prevention (CDC) conducts [surveys](#) to estimate influenza (flu) vaccination rates every flu season. As the chart below shows, the United States experienced a consistent increase in flu vaccination rates among all adult age groups from the 2017-18 flu season to the 2020-21 season. The increase in vaccinations during this period may be partly attributable to the COVID-19 pandemic: There were numerous campaigns urging individuals to get their flu shot to [preserve](#) medical resources as COVID-19 cases surged, and people generally were concerned with remaining healthy and avoiding hospitals in the middle of a pandemic. There was, however, a decrease in vaccination rates during the 2021-22 flu season compared to the year before—even though individuals by this point could receive both the flu and COVID-19 vaccines at the same time, unlike past years when a two-week wait between vaccines was required. The CDC data indicate factors other than feasibility of vaccination contributed to the decline, and the [CDC suggests](#) there may have been fewer designated flu clinics compared to last year and changes in health-seeking behaviors.

Influenza Vaccination Rates by Age Group

