

FACTSHEET

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Alzheimer's Treatment Coverage under Medicaid

What class of disease modifying treatments exist for Alzheimer's disease?

- Monoclonal antibodies directed against amyloid (“anti-amyloid mAbs”) are a new class of disease-modifying treatments, some of which have been approved by the U.S. Food & Drug Administration (FDA) for those with early Alzheimer's.
- In June 2021, the FDA granted accelerated approval to Aduhelm (aducanumab), making it the first anti-amyloid mAb treatment on the market.
- In January 2023, the FDA granted accelerated approval to a second anti-amyloid mAb treatment, Leqembi (lecanemab). Trial results confirmed this treatment can meaningfully change the course of the disease for people with early Alzheimer's.

Does Medicaid cover the new drugs?

- Under existing federal law, state Medicaid programs would normally be required to cover FDA-approved anti-amyloid drugs because the manufacturers participate in the Medicaid Drug Rebate Program.
- However, in April, 2022, the Centers for Medicare & Medicaid Services issued a National Coverage Determination that, for the purposes of Medicaid, reclassified the anti-amyloid treatments and thus prohibited Medicaid from covering them for individuals who have both Medicare and Medicaid (“dual eligibles”).
- If an individual on Medicaid is under 65 and is not on Medicare disability, Medicaid is still required to pay for Alzheimer's treatments.

Can states restrict access to these treatments?

- States can implement utilization management policies that would have the effect of limiting the availability of medication.
- For example, states could require other drugs be used first before access is allowed to the new Alzheimer's treatments (known as “step therapy”). Or, states may specify a series of diagnostic tests beyond what is required by the FDA before a person would be eligible.

What is the impact of these barriers?

- Medicaid step therapy policies may require medications that can have negative side effects for some individuals or that may simply manage a person's symptoms rather than treat the disease.
- Requirements for additional diagnostic tests often serve to limit access to treatments among some groups of people, thereby worsening inequities in the health care system.
- If those on Medicaid cannot access treatments to slow the progression of Alzheimer's disease, states are likely to see higher Medicaid costs for long-term care.
- Instead of restricting access, states should adopt a Medicaid coverage policy consistent with the appropriate use recommendations developed by the expert Alzheimer's Disease and Related Disorders Therapeutics Work Group.

For more information visit: alz.org/coverage.