

## **MedCenter Research Project**

### **Medicare Part D vs. MedCenter Cost Effectiveness**

December 20, 2005

#### **Objectives**

For American seniors who spend \$7,500 per annum or less on prescription medications, determine which the more cost-effective alternative is: Medicare Part D or MedCenter Canada.

#### **Methodology**

MedCenter prepared a website ([www.partdcalculator.com](http://www.partdcalculator.com)) that allows U.S. seniors to enter the details of an individual Medicare Part D plan along with a detailed list of specific medications and both U.S. and Canadian prices. The website then performed a detailed calculation to determine which option is least expensive.

Individual seniors either entered the information themselves or called MedCenter to have a MedCenter staff help them process the information. The results were then either emailed or mailed to the senior.

#### **Key Results**

- 1,820 seniors participated.
- 1,540 (84.6%) seniors will save more with MedCenter Canada than Medicare Part D.
- 280 (15.4%) seniors will save more with Medicare Part D than MedCenter Canada.
- Average annual MedCenter saving: \$565.65.
- Median MedCenter saving: \$445.26.
- Prior to calculating any savings, the estimated total combined annual medication expenditure of the 1,820 seniors was \$4,801,198.
- By taking advantage of Canadian prices, the participants could save a combined total of \$1,932,693 every year.

#### **Conclusion**

84.6% of American seniors who spend \$7,500 per annum or less on prescription medications will save more money when purchasing their medications from MedCenter Canada versus Medicare Part D.