

Does Medicare pay for Alzheimer's drugs? The answer is complicated and changing

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June 15, 2023 at 6:00 AM CDT

Roughly 6.7 million Americans age 65 or older are [living with Alzheimer's disease](#). Many of them could benefit from treatments that could slow the progression of disease. Does Medicare cover treatments and medication to help them? The answer is complicated and continually changing. Here's what you need to know.

### **Medicare and Alzheimer's drugs**

There are no drugs or treatments to cure Alzheimer's disease. But if you have a Medicare Part D prescription drug plan, you can get Medicare coverage for five medications that treat cognitive symptoms.

Three of them—Aricept, [Exelon](#), and Razadyne—are cholinesterase inhibitors, which treat symptoms related to memory, language, judgment, and other thought processes. Aricept has been approved by the FDA to treat all stages of Alzheimer's. Exelon and Razadyne have received approval for mild to moderate disease.

Namenda and Namzaric are approved for moderate to severe Alzheimer's disease. Namenda is a glutamate regulator and Namzaric is a combination cholinesterase inhibitor and glutamate regulator. Both are prescribed to help improve memory, language, and the ability to perform simple tasks.

### **Does Medicare cover Adulhelm and Leqembi?**

There's a new type of Alzheimer's treatment receiving enormous attention because it may be able to slow the progression of the disease. Adulhelm and Leqembi are costly anti-amyloid, antibody intravenous (IV) infusion therapies for people with early Alzheimer's.

After a twisty regulatory process over the past few years, Medicare has been covering Adulhelm for certain people with early Alzheimer's.

In June 2021, "the FDA went against the advice of its advisory committee and gave Adulhelm accelerated approval. CMS [The Centers for Medicare and Medicaid Services, which runs Medicare] then said, 'Well, let's think about what we want to do about it,'" says Tricia Neuman, senior vice president of the health policy research and news organization KFF and executive director of its program on Medicare policy.

Typically, Medicare covers what the FDA approves.

In April 2022, CMS decided that Medicare would cover Adulhelm (cost: \$28,200 a year, down from the initial \$56,000 price) and treatments like it *only* for beneficiaries with Medicare Part B who are enrolled in a clinical trial approved by the agency or by the National Institutes of Health.

"We've been very disappointed with the way that CMS has chosen to cover or not cover these FDA-approved Alzheimer's treatments through Medicare," says Robert Egge, chief public policy officer for the Alzheimer's Association. "These treatments could make a big difference in the lives" of patients with early Alzheimer's, he adds.

The Alzheimer's group said in statement after the April 2022 CMS decision: "With this approach, only the privileged few with access to clinical trials have access to treatment."

It can be hard to find a health care provider that will administer Adulhelm. Some health systems including [Cleveland Clinic](#), [Mass General Brigham](#), and Mount Sinai of New York City have said they won't administer it due to safety and effectiveness concerns, according to the Commonwealth Fund, a health care research group.

When Medicare does cover Adulhelm, it pays 80% of the cost. The beneficiary pays the rest, which would be about \$5,640 per year. The average out-of-pocket limit for people with [Medicare Advantage](#) plans from health insurers—the private alternative to traditional Medicare—is just over \$5,100.

In November 2022, CMS raised the monthly Part B premium by \$21.60 to \$170.10 due to forecasted increased spending by Medicare for Adulhelm coverage. The Part B premium dropped to \$164.90 for 2023.

Leqembi, the similar treatment for slowing Alzheimer's, was given “accelerated approval” by the FDA in January 2023. The [Veterans Health Administration](#) [began covering it](#) for some veterans over 65 in March 2023.

In early June, CMS said that if the FDA grants traditional approval to drugs slowing the progression of Alzheimer's, Medicare will cover the cost for qualifying beneficiaries who also have a doctor participating in a special registry.

Some critics think a registry could be cumbersome for doctors and patients and might exclude patients in rural and underserved areas.

Diane Omdahl, author of *Medicare for You* and CEO of the Medicare advisory firm 65 Incorporated, says a registry “is definitely going to be an impediment to people being able to get” Alzheimer's drugs.

The Alzheimer's Association calls a registry “an unnecessary barrier” to coverage.

“You should be entitled to Medicare coverage whether you're in a registry or not,” says Egge. “That's always been the case for every other FDA-approved drug without exception.”

By July 6, the FDA will decide whether to grant full approval to Leqembi for all people with mild cognitive impairment or mild dementia with amyloid plaques.

Then, CMS will need to rule whether, and how, Medicare will cover it and whether to change coverage rules for Aduhelm.

Nearly nine in 10 voters favor requiring Medicare to cover the cost of FDA-approved drugs that can slow the progression of Alzheimer's, a [recent poll](#) from Lake Research Partners and Public Opinion Strategies found.

In coming months, Medicare will also say whether it will cover Lilly's donanemab, another drug that has shown clinical benefit for people with early Alzheimer's. A clinical trial showed this drug slowed Alzheimer's progression by 35% compared to a placebo.

Will Medicare ultimately grant coverage for all people with Alzheimer's who qualify for these drugs? "I'm feeling guardedly optimistic after being frustrated for so long," says Egge.

At a list price of \$26,500, Leqembi could add \$8.9 billion to Medicare Part B spending annually if 5% of people with Alzheimer's (roughly 335,000) take it, KFF estimates. It would likely raise Part B premiums, too, notes Omdahl.

The Alzheimer's Association thinks only about 100,000 people will take Adulhelm and Leqembi over several years, however.

The annual cost of Leqembi and Adulhelm approaches the \$30,000 median income of people on Medicare.

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