**Specialty Drug Cost Analysis in Medicare Advantage Plans**

**Overview**

Specialty drugs are high-cost prescription medications used to treat complex, chronic conditions such as cancer, autoimmune diseases, multiple sclerosis, and rare genetic disorders. Despite comprising a small fraction of total prescriptions, they contribute significantly to Medicare spending.

This project aims to analyze the rising costs of specialty drugs under Medicare Advantage plans by:

* Understanding cost trends within Medicare Advantage.
* Identifying key cost drivers such as manufacturer pricing, policy changes, and supply chain factors.
* Assessing the financial impact on beneficiaries, insurers, and healthcare providers.
* Exploring policy and operational strategies to manage rising costs.

**Data Source**

Our analysis is based on publicly available data from CMS:  
🔗 [**Medicare Part D Drug Spending Dashboard**](https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-medicaid-spending-by-drug/medicare-part-d-spending-by-drug/data)

**Progress This Week**

**Background Research & Problem Definition**

* Reviewed the significance of specialty drug costs in Medicare Advantage plans.
* Explored existing literature and datasets to understand cost variations and trends.
* Identified major price drivers: patent protections, limited competition, and manufacturing complexity.

D**ata Selection & Initial Analysis**

* Extracted the top 50 most expensive drugs in Medicare Advantage based on per-beneficiary spending.
* Filtered specialty drugs using CMS classifications and brand name/high-cost criteria.
* Exported filtered specialty drug data for further analysis.

**Technical Work Completed**

* Identified high-cost specialty drugs using a predefined spending threshold.

**Next Steps**

* Perform detailed trend analysis on specialty drug costs over time.
* Examine Medicare enrollment data and its effect on specialty drug spending.