



I am essential

WRITTEN PUBLIC COMMENT

*by*

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*on behalf of*

THE **I AM ESSENTIAL** COALITION

*before the*

DEMOCRATIC PARTY PLATFORM DRAFTING COMMITTEE

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On behalf of the **I Am Essential** Coalition, we thank the Committee for this opportunity to comment on the 2016 Democratic Party Platform. **I Am Essential** is a broad coalition of patient and community organizations representing millions of patients and their families. We are dedicated to the protection of quality, comprehensive, and affordable health care under the Affordable Care Act (ACA).

Because of the ACA, 20 million people have gained health coverage. More than 9 out of 10 Americans are now insured, representing a historic decrease from the 15.1 percent uninsured rate pre-ACA. New coverage opportunities were created through the Health Insurance Marketplaces, Medicaid expansion, and by allowing young adults to stay on their parents' health insurance until age 26. No longer can individuals living with a pre-existing condition be denied coverage or charged higher premiums based on their health status. Lifetime coverage limits have been eliminated, annual out-of-pocket costs are capped, and most Marketplace enrollees are able to take advantage of financial assistance to make premiums and/or cost sharing more affordable. Every Qualified Health Plan must provide essential health benefits, including prescription drugs, ambulatory care, and preventive services, as well as more transparent, simplified information to help beneficiaries compare plans and understand their coverage. In short, the ACA has delivered unprecedented health coverage to those with chronic and serious health conditions, many of whom were previously uninsured or underinsured.

Since the ACA's passage, **I Am Essential** has been working at both the federal and state levels to ensure that essential health benefits are provided to all beneficiaries. Central to our effort

is ensuring access to a full range of prescription drugs due to the value medications have to maintaining beneficiary's health and curing illnesses.

While on the whole, we are pleased with implementation of the ACA, we have witnessed that some insurance plans limit beneficiary access to critical medications, an issue that must be addressed for the ACA to work for all beneficiaries, particularly those with chronic and serious health issues. Through narrow formularies some plans do not offer all the necessary medications providers prescribe for patients to treat their illnesses. Some insurers design their plans with other barriers such as high beneficiary cost sharing that only make it hard for them to access their medications, but also discourage enrollment in the plans.

For example, while many plans exclude prescription medications from the deductible, some require beneficiaries to meet deductibles in the thousands of dollars before the plan begins picking up their costs. This often means that a beneficiary is responsible for the full cost of necessary treatment in the first months of the coverage year, and many people with chronic and serious conditions that rely on expensive medications to stay healthy simply cannot afford to pay for these costs out of pocket.

Additionally, some plans use co-insurance that requires beneficiaries to pay as much as 40 to 50 percent of the cost of the medications, which can mean hundreds or thousands of dollars. For example, as many as 15 percent of all Silver level plans nationwide require 40 percent or higher beneficiary co-insurance for all covered drugs in certain classes used to treat cancer (10-15% of plans); multiple sclerosis (11%); and HIV (9%). The majority of individuals enrolled in a Marketplace plan choose a Silver plan.

In 2016, more plans required greater than 40 percent co-insurance for all covered single-source antidepressants (12%), atypicals (12%), and bipolar (13%) drugs than in 2015.<sup>1</sup> In addition to resulting in burdening beneficiaries with high-costs, such co-insurance equates to a total lack of transparency as beneficiaries are unable to assess their costs for necessary medication.

Beneficiaries have also experienced excessive medication management techniques such as having their medications unnecessarily placed on the "specialty" tier, unreasonable prior authorization requirements and/or step therapy. In 2016, between 10 and 50 percent of Silver plans place all covered drugs on the specialty tier for certain classes of HIV (10-12%); cancer (23-50%); and multiple sclerosis (31%) medications.<sup>2</sup>

We continue to advocate for actions and policies that will increase transparency and protect beneficiaries from high-cost sharing. One proposal that some states have instituted is

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<sup>1</sup> Avalere PlanScape Analysis of Prescription Drug Tier Placement and Cost Sharing in Exchange Plans, April 2016, <http://avale.re/1U4VSfe>

<sup>2</sup> Avalere PlanScape Analysis of Prescription Drug Tier Placement and Cost Sharing in Exchange Plans, April 2016, <http://avale.re/1U4VSfe>

standardized plan options that limit patient co-pays and eliminate deductibles for prescription drugs. The U.S. Department of Health & Human Services (HHS) recently agreed that plans can voluntarily use standardized benefit options in the federal Marketplace. We believe this measure falls short because it is voluntary and allows plans still to use high levels of co-insurance and not all metal levels exclude prescription drugs from the deductible. Some states have taken additional proactive steps by instituting co-pay caps and/or requiring insurers that utilize co-insurance to also offer plans that use only co-pays.

We are also concerned that some Marketplace plans continue to place all or almost all medications to treat certain conditions on the highest cost tier. We believe such practices amount to blatant discrimination, particularly against individuals with chronic and serious conditions who rely on prescription medications to remain healthy. We are pleased that HHS continues to recognize and name such behaviors as potentially discriminatory in its rulemaking and guidance and want to ensure that the next Administration builds on this important progress by enforcing nondiscrimination as it investigates complaints, reviews and works with states to certify plans, and develops rules governing future plans.

We have made great progress towards ensuring everyone has access to quality and affordable health care since the ACA was enacted six years ago. However, we must continue to devote attention to implementing the law in ways to ensure that it benefits all beneficiaries, including improving access to medications that are essential to individuals' health. We believe that national leadership is vital to these efforts and ask for your commitment to enforcing the ACA's nondiscrimination provisions and ensuring the ACA Marketplace plans provide affordable access to quality care and treatment for everyone, especially those living with chronic and serious health conditions.

Thank you.