PATA Key Messages

- Millions of Americans suffer from chronic, disabling, life-threatening diseases such as primary immunodeficiency diseases, rheumatoid arthritis, lupus, psoriasis and some cancers. Many of these chronic conditions require specialty treatments that cost thousands of dollars.

- Because of costs, health insurance companies place these vital, life-changing and life-saving medications on a specialty tier and charge a co-insurance or percentage of the cost of the drug, placing a substantial financial burden on these patients.
  - When a patient is forced to share a large portion of the cost for an essential therapy, the out-of-pocket expense can place significant hardship on individuals and families and may even create an insurmountable barrier to receiving needed medical care. This can result in reduced productivity, serious adverse impacts to functioning, permanent disability, emergency medical situations and even death.
  - Such practices constitute economic discrimination; contrary to the insurance concept.

- The good news, however, is there is a bill pending in Congress, the Patients’ Access to Treatments Act of 2015 (H.R. 1600). If passed, H.R. 1600 would help limit challenges associated with specialty tiers and co-insurance and provide improved access to life-saving treatments for millions of Americans with chronic diseases and conditions.
  - H.R. 1600 is co-sponsored by Rep. David McKinley (R-WV) and Rep. Lois Capps (D-CA) and was developed through the Coalition for Accessible Treatments, a group of leading professional medical associations, patient organizations and Congressional champions for patient care who share a common interest in reducing the financial burden for medical costs.

- PATA would limit cost-sharing requirements for medications in a specialty drug tier (typically Tier IV or higher) to the dollar amount applicable to drugs in a non-preferred brand drug tier (typically Tier III).

- H.R. 1600 helps protect patient access to medically necessary treatments. To help Congress understand the importance of the passing of this bill, the Coalition for Accessible Treatments commissioned Avalere Health, a healthcare advisory firm, to conduct a study analyzing the impact of H.R. 1600’s predecessor bill H.R. 460 on commercial health insurance premiums and other drug tier cost sharing in the previous Congress. The study reveals the bill would have a negligible impact on insurance premiums.
  - The bill would increase premium costs by $3 per year, absent any other changes to the average benefit design, affecting a number (23 percent) of commercial health plans that use specialty tiers.
  - Specialty drug spending represents a small percent of overall health plan spending (approximately 2 percent of overall health plan spending), which is why H.R. 1600 would lead to a less than .01 percent increase in the average commercial insurance health plan for better coverage of treatments used to treat chronic and life-threatening conditions. This is critically important to the debate on this issue, as the often-cited reason by the insurance industry for the use of extraordinarily high consumer out-of-pocket costs for these innovative drugs is an effort to control overall health system costs.

- We need Congress to pass H.R. 1600. The public can help by telling their members of Congress to support its passing.

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1 Avalere Health used the Center for Consumer Information and Insurance Oversight’s (CCIIO) Actuarial Value (AV) Calculator and the 2012 Employer Health Benefits Survey to analyze the impact on commercial health plans.