



Specialty Tier Reform Update – Week of February 24, 2014

By Mark Hobracczk

### STATES

#### Louisiana

##### ***New Senate bill would bar specialty tier coinsurance, limit other drug costs***

Senator Edwin Murray (D), vice chair of the Labor and Industrial Relations committee, pre-filed legislation this week that would put new limits on out-of-pocket (OOP) costs for prescription drugs while prohibiting the use of percentage coinsurance for the highest-cost specialty medications.

Under S.B. 165, health plans could not create prescription drug specialty tiers that require the insured to pay a percentage of the drug's costs instead of a flat copayment. Overall cost-sharing for a particular drug also could not exceed 500 percent of the lowest amount of cost-sharing required for formulary drugs.

Plans that set an OOP limit for benefits other than prescription drugs must include one of the following options that results in the lowest OOP drug cost:

- (1) OOP for prescription drugs shall be included under the plan's total OOP limit for all benefits.
- (2) OOP for prescription drugs per plan year shall not exceed \$1,000 per insured or \$2,000 per family.