



## Specialty Tier Reform Update – Week of October 13, 2014

By Mark Hobracczk

### STATES

#### Montana

#### ***Marketplace insurers agree to limit specialty tier coinsurance for 2015***

Insurance Commissioner Monica Lindeen (D) announced on October 10<sup>th</sup> that she has reached agreement with the four participating insurers in Montana's Affordable Care Act (ACA) Marketplace to limit the use of specialty tier coinsurance for high-cost drugs.

Starting with the open enrollment period that begins on November 15<sup>th</sup>, the insurers have agreed to use fixed dollar copayments for all specialty tier drugs covered by plans at the silver level and above. Lower level bronze plans presumably can still require specialty tier coinsurance, which in federally-facilitated Marketplaces (FFMs) like Montana's forced consumers with conditions like cancer, HIV, hemophilia, multiple sclerosis, or rheumatoid arthritis to pay up to 50 percent of the total cost of their specialty medications.

Lindeen, who will head the National Association of Insurance Commissioners in 2015, pushed for the insurers to cover all drugs equally, insisting that it was discriminatory to force consumers to pay a percentage coinsurance. She noted that even though the ACA sets maximum annual out-of-pocket limits (currently at \$6,350 for an individual or \$12,700 for families), those amounts can still prevent access to critically-needed drugs if consumers have to pay the entire amount up-front.

The new policy had little effect on Marketplace premiums for 2015, which the Commissioner previously announced would increase only by an average of 1.35 percent (see Health Reform Update for Weeks of August 25<sup>th</sup> and September 1<sup>st</sup>).