



Specialty Tier Reform Update – Week of February 1, 2016

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STATES

Georgia

New bill would limit cost-sharing for specialty medications

Rep. Lee Hawkins (R), vice-chair of the Health and Human Services Committee, introduced legislation this week that would limit cost-sharing for covered specialty drugs to \$200 for a 30-day supply or \$1,000 per insured per plan year (\$2,000 per insured family). Specialty drugs would be defined as a high-cost drug used to treat complex or rare medical conditions.

The bill (H.B. 875) would also force insurers to standardize definitions of drug tiers and post on applicable websites all drug formularies, drug costs, and prior authorization requirements. All prior authorization approvals for specialty drugs could not be changed for the duration of the plan year.

Kentucky

New bill limits prescription drug cost-sharing only for certain health plans

Rep. James Kay (D) introduced new legislation this week that would limit prescription drug cost-sharing for certain health plans.

Under H.B. 321, at least 25 percent of plans that cover essential health benefits (apart from the lowest bronze tier and catastrophic tier of coverage) would be required to use benefit designs in which the maximum copayment could not exceed 1/12 of the maximum annual out-of-pocket limit set by the plan for individual coverage. In addition, these plans would be unable to require subscribers to pay coinsurance for any prescription drug that is not part of the plan's formulary or any non-formulary drug otherwise covered under the plan.

At least one of the plans shall not require enrollee to pay deductible for covered prescription drugs and the amount of cost-sharing for any specific drug could not exceed the amount of the copayment specified in the plan's summary of benefits and coverage.

The measure was referred to the Banking and Insurance Committee. It would be effective January 1, 2017.

Washington

New bill would limit cost-sharing for prescription drugs

Rep. Brady Walkinshaw (D) introduced new legislation last month (H.B. 2602) that would limit cost-sharing for any individual prescription drug to no more than \$100 for a thirty-day supply. For a non-grandfathered individual or small group health plan, the annual deductible for outpatient drugs would not be allowed to exceed \$500.

The measure was referred to the House Health Care and Wellness Committee. It would be effective on January 1, 2017.