

ACCESS TO ASTHMA MEDICINES IN EXCHANGE PLANS

Prescription medicines are a crucial component of treatment for asthma. Asthma is a common, chronic lung disease that inflames and narrows the airways. In the United States, more than 25 million people are known to have asthma, including about 7 million children.ⁱ Goals of asthma treatment include reduced impairment from symptoms; minimized risk of asthma attacks and other adverse outcomes, such as hospitalizations and loss of lung function; and minimized side effects of asthma medicines. Treatment with medicines is the key to successfully managing asthma for most patients.ⁱⁱ One recent study found that children with low adherence to certain asthma medicines experience a higher risk of emergency department visits and hospital admissions compared to children with better adherence.ⁱⁱⁱ

The results presented below provide insights into how plans in the health insurance exchanges and employer plans cover innovator asthma medicines.^{iv} Findings are primarily based on an analysis of silver plans available in all states nationwide in 2015;^v accordingly, discussion of exchange plans below refers to these silver plans.

COVERAGE & ACCESS FOR ASTHMA MEDICINES

Patients with asthma in exchange plans face barriers to access, including higher use of utilization management (UM) and cost sharing

When high rates of cost sharing are compounded with multiple prescriptions for treatment, people with asthma may find it challenging to access their medications. Additionally, unlike most employer plans,^{vi} many exchange plans subject both prescription medicines and other items and services to a single global, also known as a combined, deductible. Those deductibles average about \$2,700 among exchange plans in 2015.^{vii}

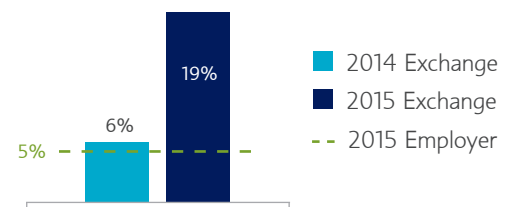
Formulary Coverage: Certain types of medicines are often excluded from the formulary

Innovator asthma medicines are listed on exchange plan formularies about 86% of the time—a rate similar to employer plans. That said, patients often take more than one asthma medicine and may have difficulty accessing all of the medicines prescribed to manage their condition.

Access Limits: Medicines are more likely to be subject to step therapy or prior authorization in exchange plans than in employer plans

Despite the fact that exchange formularies tend to cover a range of asthma medicines, access to these medicines may be difficult because of increases in the use of UM in exchange plans. In 2015, the rate of UM for exchange plans increased to 19% from 6% the previous year. Employer plans, meanwhile, use UM 5% of the time for asthma medicines in 2015.

Use of UM for Innovator Asthma Medicines in Exchange and Employer Plans



Cost Sharing: Medicines to treat asthma are sometimes subject to high coinsurance in exchange plans

For asthma medications, 2015 exchange plans use copayments for innovator asthma medications 66% of the time, with monthly copayments averaging about \$51 in 2015. When coinsurance applies, the average coinsurance for innovator asthma medications in 2015 is 34%. Coinsurance requires patients to pay a share of the total cost of the covered medicine, after any applicable deductible. Based on the costs of asthma medications, this translates to monthly cost sharing for a single innovator asthma medication that could range anywhere from a few dollars to \$250, depending on the medication.

For patients with high deductibles, filling a single asthma prescription over the course of the year might mean paying fully out-of-pocket each month because these patients may never reach their deductible.

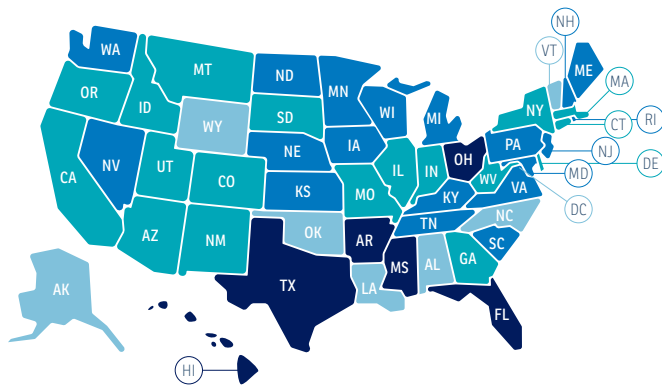
These cost-sharing details do not reflect cost-sharing subsidies for exchange plan enrollees with income below 250% of the federal poverty level; however, exchange plans have flexibility in how they implement cost-sharing reductions and are not required to apply reductions to medicines.

EXCHANGE PLAN COVERAGE AND COST-SHARING FOR ASTHMA PRODUCTS VARY ACROSS STATES

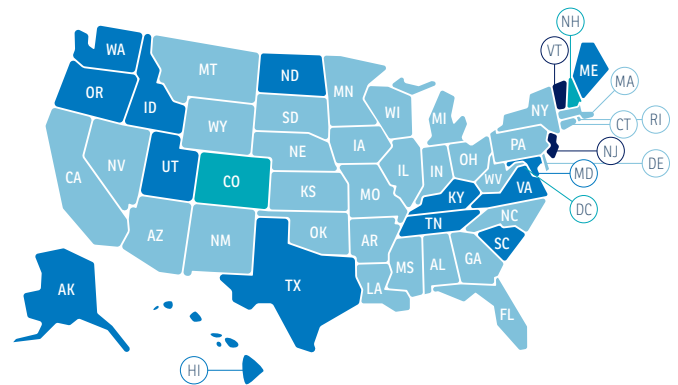


There is wide variation across states for coverage and specialty tier placement for asthma medicines in 2015, potentially making access to these medicines difficult for some patients.

Percent of the Time Innovator Asthma Medicines are on Formulary



Use of Coinsurance of at Least 30% for Asthma Medications



40–77%
78–86%

87–93%
94–100%

0–20%
21–40%

41–60%
61–80%

¹ National Heart, Lung, and Blood Institute, Updated August 4, 2014, <http://www.nhlbi.nih.gov/health/health-topics/topics/asthma/>

² Fanta CH. Asthma. N Engl J Med 2009; 360:1002.

³ Inhaled corticosteroid adherence and emergency department utilization among Medicaid-enrolled children with asthma. Rust G. Zhang S. Reynolds J. Journal of Asthma. 50(7):769-75, 2013 Sep.

⁴ Innovator medications are brand-name medications that have no generic alternative. Includes single-source medicines in the following USP classes: sympathomimetic bronchodilators and inhaled corticosteroids.

⁵ Avalere Health PlanScape®, a proprietary analysis of exchange plan features, March 2015. This analysis is based on data collected by Managed Markets Insight & Technology, LLC.

⁶ Kaiser/HRET Survey of Employer Sponsored Health Benefits 2014.

⁷ Avalere PlanScape®, a proprietary analysis of exchange plan features, December 2014. Avalere analyzed data from the FFM Individual Landscape File released November 2014 and the California and New York state exchange websites.