

ACCESS TO MENTAL HEALTH MEDICINES IN EXCHANGE PLANS

For many patients with mental health conditions, prescription medicines are a key component of their treatment.

Clinicians base their prescribing decisions on individualized factors, including a patient's specific symptoms; prior response to mental health medications; drug-drug interactions; and medication dosing patterns, absorption rates, clearance times, and side effects. Specific formulations of mental health medicines may be needed for some patients. For example, fast-acting formulations may be needed to quickly stabilize a patient and ensure his or her safety or the safety of others. Long-term, injectable medicines may improve treatment adherence, especially for severe conditions or for patients with other health challenges or social support needs. Given these variables, affordable coverage and access to a range of mental health medicines are critical to meeting the needs of patients with mental health needs.

The results presented below provide insights into how plans in the 2015 health insurance exchanges cover four classes of innovator mental health medicines.ⁱ Findings are primarily based on an analysis of silver plans available in all states nationwide in 2015;ⁱⁱ accordingly, discussion of exchange plans below refers to these silver plans.

COVERAGE AND ACCESS FOR MENTAL HEALTH MEDICINES



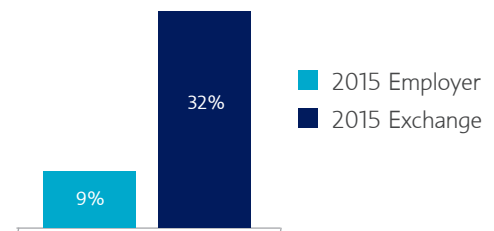
Mental health medicines are subject to substantial cost sharing in many exchange plans as well as tight utilization management, both of which could be barriers to access for many patients.

Compared to patients with employer coverage, patients in exchange plans often face higher cost sharing and other access barriers to mental health medicines. Additionally, unlike most employer plans,ⁱⁱⁱ many exchange plans subject prescription medicines and other items and services to a single global deductible. Those deductibles average about \$2,700 among exchange plans in 2015.^{iv}

Access Limits: Use of utilization management is more frequent in 2015 exchange plans compared to employer plans

Exchange plans require prior authorization, a form of utilization management (UM), for innovator mental health drugs more than three times as often as employer plans. In 2015, prior authorization, step therapy, or both occur 32% of the time for innovator mental health medications in exchange plans. Exchange plans use these access limits for mental health medications more often than they do for many therapeutic areas, such as asthma or diabetes, which could make it difficult for some patients with mental health conditions to access their medications. Use of these access limits also is substantially higher in exchange plans than it is in employer plans; employer plans apply UM to mental health drugs only 9% of the time in 2015.

Use of UM for Innovator Mental Health Medicines in Exchange and Employer Plans



Cost Sharing: Consumers are more likely to pay a copayment for mental health medications rather than coinsurance

For mental health medications, coinsurance is required in 41% of cases for exchange plans. Coinsurance requires patients to pay a share of the total cost of the covered medicine after a patient reaches the deductible, and therefore coinsurance can be harder for patients to predict. When coinsurance applies, mental health innovator medications average 35% coinsurance. At the average coinsurance amount, monthly cost sharing for a single innovator mental health medication could range anywhere from about \$65 to \$750, depending on the total cost of the drug.

These cost-sharing details do not reflect cost-sharing subsidies for exchange plan enrollees with incomes 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.

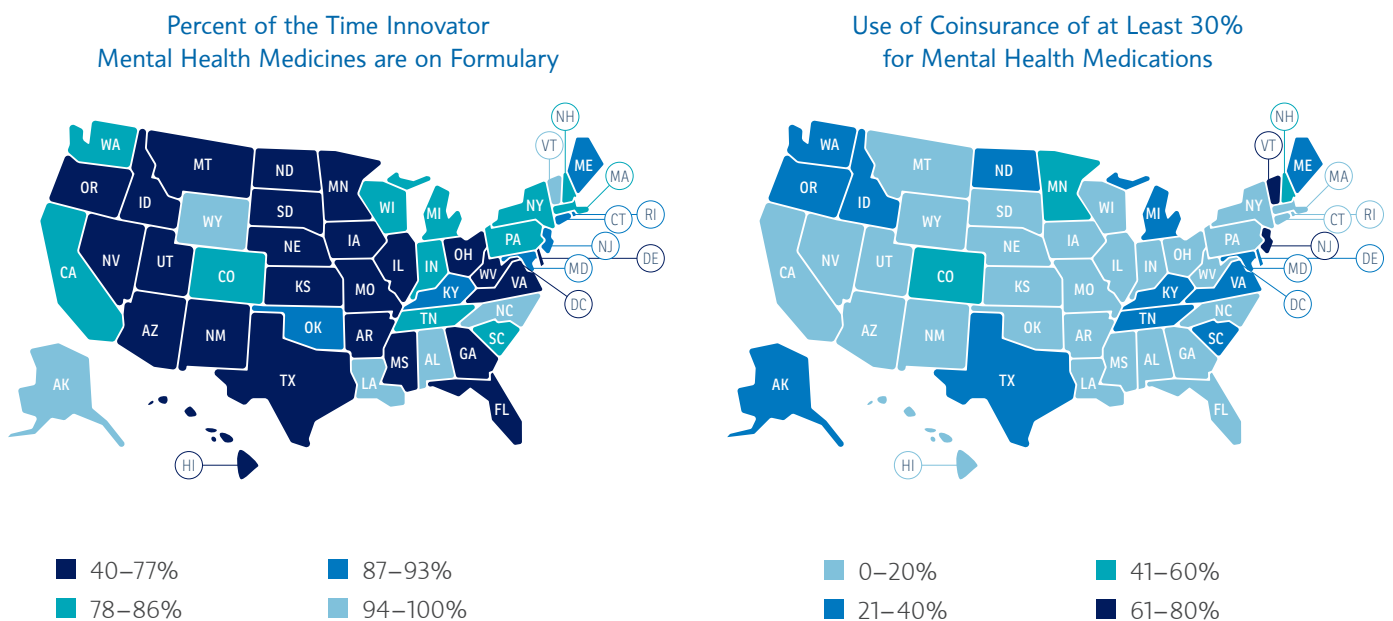
Formulary Coverage: Exchange plans cover innovator mental health medications at meaningfully lower rates compared to employer plans in 2015

Across four classes of mental health medicines, exchange plans cover mental health innovators 77% of the time. In contrast, employer plans cover innovator medications in these classes 94% of the time.

EXCHANGE PLAN COVERAGE AND COST SHARING FOR MENTAL HEALTH MEDICINES VARY ACROSS STATES



Average coinsurance for innovator mental health medicines in exchange plans in some states can be as high as 30%, potentially making access to mental health medications unaffordable for some patients.



¹ Innovator medications are brand-name medications that have no generic alternative. Includes medicines from the following 4 USP classes: second generation antipsychotic medication, antidepressants, bipolar agents, serotonin/norepinephrine reuptake inhibitors.

² 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.

³ Kaiser/HRET Survey of Employer Sponsored Health Benefits 2014.

⁴ 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.