

ACCESS TO RHEUMATOID ARTHRITIS MEDICATIONS IN EXCHANGE PLANS

Prescription medicines are an essential component of treatment for rheumatoid arthritis (RA). RA is an autoimmune disease that causes chronic joint inflammation and painful swelling that may result in long-term damage and disability. In addition to causing joint problems, RA sometimes can affect other organs of the body—such as the skin, eyes, lungs, and blood vessels. Immunosuppressant medicines are an essential component of RA treatment; these medicines help to reduce inflammation and prevent joint damage. The specific choice of therapy depends upon several factors, including the severity of disease activity when therapy is initiated and the response of the patient to prior interventions.

The results presented below provide insights into how plans in the health insurance exchanges and employer plans cover innovator immunosuppressant medicines used to treat RA.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 & ACCESS FOR RHEUMATOID ARTHRITIS MEDICINES

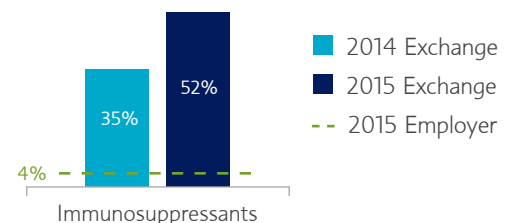
Among exchange plans, RA medications are subject to substantial cost sharing, as well as tight utilization management—together, these could create barriers to access for many patients

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

Adverse Tier Placement: Significantly more exchange plans place rheumatoid arthritis medications on the specialty tier compared to employer plans

Though RA medications are covered by exchange plans 81% of the time, these medicines are frequently placed on the specialty tier. Among 2015 exchange plans, innovator RA medicines appear on the specialty tier 52% of the time, up from 35% in 2014. In contrast, employer plans place these medications on the specialty tier only 4% of the time.

Percent of the Time RA Medications are on Specialty Tier



Cost Sharing: Medicines to treat RA are sometimes subject to high coinsurance

In 2015, exchange plans use coinsurance for innovator RA medications 60% of the time. Coinsurance requires patients to pay a share of the total cost of the covered medicine, after any applicable deductible. When coinsurance applies, cost-sharing for innovator RA medications averages 36% of the cost of the drug.

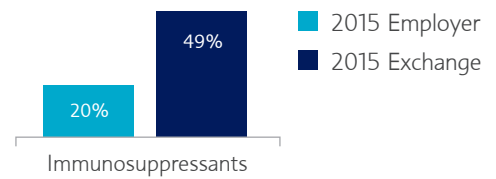
At the average coinsurance for 2015, monthly cost sharing for a single RA medication could range from about \$215 to nearly \$1,300, depending on the drug. This level of cost sharing could result in patients meeting their out-of-pocket maximum in just a few months. When exchange plans use copayments for these innovator medications instead of coinsurance, monthly cost sharing averaged about \$85 in 2015.

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.

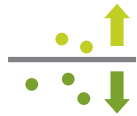
Formulary Coverage: RA medications are subject to UM more than twice as often in exchange plans compared to employer plans

RA medicines covered by exchange plans are subject to utilization management, such as prior authorization or step therapy, about half of the time. These techniques are only used in about 20% of cases in employer plans.

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

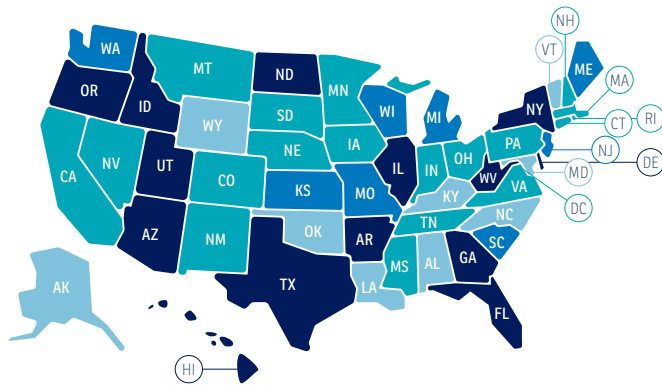


EXCHANGE PLAN COVERAGE AND COST-SHARING FOR RHEUMATOID ARTHRITIS MEDICINES VARY ACROSS STATES

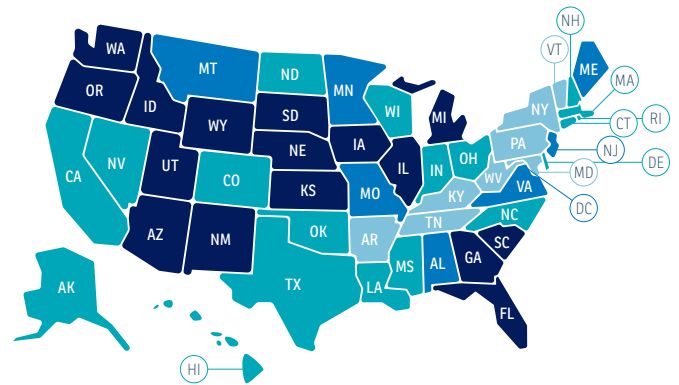


There is wide variation across states for coverage and specialty tier placement for RA medicines in 2015, potentially making access to RA medicines difficult for some patients.

Percent of the Time Innovator RA Medicines are on Formulary



Percent of Plans with All RA Medicines on Specialty Tier



¹ Innovator medications are brand-name medications that have no generic alternative. Includes the following innovator immunosuppressant medicines approved by the U.S. Food and Drug Administration to treat rheumatoid arthritis: Cimzia, Cuprimine, Depen, Enbrel, Humira, Kineret, Orencia, Otrexup, Rasuvo, Remicade, Simponi, Simponi Aria, Trexall, and Xeljanz.

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.