FACT SHEET

Patients’ Access to Treatments Act

REQUEST: Cosponsor the Patients’ Access to Treatments Act (H.R. 2999)

About Health Insurance, Specialty Tiers
Most private health insurers charge fixed co-payments for different categories, or tiers, of medications: generics (Tier I), name brands (Tier II), and nonpreferred brand medications (Tier III). For example, co-pays might be set at $10/$20/$50, respectively, for medications in the three tiers.

However, some commercial insurers have established a fourth, or specialty, tier that includes biologics and other drugs. Tier IV drugs typically require extremely high patient cost-sharing, requiring patients to pay a percentage of the cost of these drugs, from 25% to 33% or more in coinsurance, rather than a fixed co-payment. Treatments for a number of blood diseases and disorders, including drugs like Gleevec – used to treat patients with leukemia – and treatments for hemophilia known as clotting factor therapies, are frequently placed in the specialty tier. The cost for many of these treatments can exceed $10,000 a month, resulting in extremely high and unmanageable out-of-pocket costs for many patients.

Placing drugs in a specialty tier makes these medically necessary treatments unaffordable for most Americans. The intent of requiring higher patient cost-sharing for drugs and biologics is to reduce reliance on these expensive drugs and incentivize patients to choose lower-cost generic alternatives. However, there are no generic alternatives to many of these therapies. People with cancer or bleeding disorders who cannot afford specialty tier pricing may delay or go without treatment, resulting in disability and other complications that can lead to increased long-term healthcare costs.

The Patients’ Access to Treatments Act
The bipartisan Patients’ Access to Treatments Act (H.R. 2999), introduced by Representatives David McKinley (R-WV) and G.K. Butterfield (D-NC), would prevent private health insurance plans from requiring higher cost-sharing (co-payments and coinsurance) for medications in the specialty drug tier (typically Tier IV) than what is charged for drugs in a nonpreferred brand drug tier (typically Tier III).

This bill will increase access to life-saving drugs by removing the burden of excessive cost-sharing, benefiting people with leukemia, lymphoma, and bleeding disorders, and others with high-cost chronic conditions, such as multiple sclerosis, rheumatoid and psoriatic arthritis, lupus, primary immunodeficiency diseases and Crohn’s disease. An analysis by Avalere Health found that implementation of this bill would increase access to these life-saving drugs while only minimally increasing premiums by approximately $3 per year for plans with specialty tiers, absent any other changes to the plan’s benefit design.

- For additional information, or to cosponsor the Patients’ Access to Treatments Act (H.R. 2999), contact Representative McKinley’s office at (202) 225-4172 or Representative Butterfield’s office at (202) 225-3101.