



Specialty Tiers/Coinsurance Position Statement

The Arthritis Foundation promotes affordable access to Specialty Tier drugs that are critical to the health and quality of life for people with arthritis.

Traditional cost sharing structures by health insurers include tiers with fixed co-payments that the beneficiary pays based on the drug's placement on the health plan's formulary. More and more, insurers are creating "specialty tiers" that require patients to pay a coinsurance, usually 20-35% of the manufacturer and health plan negotiated drug price. For insured individuals with chronic diseases such as rheumatoid arthritis, a fee like this can lead to thousands of dollars out of pocket each month.

Specialty drugs are often necessary treatments because there are no generic alternatives. Without access to these needed medications, patients may have medical complications, increased hospitalizations, disability, and even death. Individuals unable to afford increased co-payments, co-insurance or high deductibles, may be forced to go without crucial medications that could slow the progression of the disease and prevent future disability.

The Southeast Region of the Arthritis Foundation opposes increased cost sharing, deductibles or co-insurance for Specialty Tier drugs and seeks measures that will help ensure patients have affordable access to medications. Solutions such as limited out of pocket expenses per month, transparency from health plans on patient costs, maximum coinsurance limits for patients, or prior notification of plan changes, are but a few.

Arthritis is a painful and life-altering disease that affects one in five people, and it is the nation's most common cause of disability. Studies show that out-of-pocket costs are rising faster for arthritis than for many other chronic conditions. In fact, a 2007 study showed that 28 percent of working-age adults with chronic conditions such as arthritis reported that their families had trouble paying medical bills. Of those, 56 percent failed to get prescription medications because of cost concerns. These unmet needs are putting people with arthritis at greater risk for complications and permanent disability.

We strongly support measures to protect Americans, particularly those affected by a disability or a chronic disease like arthritis, from the risk of incurring extraordinarily high out-of-pocket expenses. "We strongly believe that legislative action is necessary to guarantee quality, affordable, essential health care for all Americans, and recommend this issue be incorporated into current health care reform proposals", Amy Melnick, chief public policy officer for the Arthritis Foundation.

Dorothy Leone-Glasser

SE Region Advocacy Volunteer Chair, the Arthritis Foundation