April 13, 2017

To: Interested Parties

From: Carl Schmid, Deputy Executive Director

Re: The AIDS Institute’s Review of Florida’s 2017 Silver Qualified Health Plans

As we have since 2014, The AIDS Institute again reviewed the Silver-level Qualified Health Plans (QHPs) offered on the Health Insurance Marketplace in Florida. For each of the seven issuers participating in the 2017 Marketplace,¹ we reviewed the cost-sharing and formulary coverage for HIV and hepatitis drugs for the same Silver QHPs we reviewed in 2016 or the issuer’s Silver QHP with the lowest premium.²

Below are highlights and observations from our review. Click here for a summary of each QHP’s benefit design and HIV and hepatitis C drug coverage.

Overall, HIV and hepatitis drug coverage is very good, and for HIV, plans must limit cost-sharing to reasonable dollar amounts by order of the Florida Office of Insurance Regulation (FOIR). However, more plans are using high deductibles and applying those deductibles to drugs. Prescriptions filled before the deductible is met are not subject to the HIV copay limits, which places an undue and heavy cost burden on patients. More plans are also using co-insurance, which does not impact HIV drugs after the deductible but does pose high patient costs for hepatitis and other drugs.

We are pleased that the FOIR will again require QHPs in 2018 to abide by the cost-sharing limits for HIV drugs. Additionally, they will continue to require plans to submit information for review of drug coverage and benefit design for other chronic conditions, including hepatitis.

General Cost-Sharing & Benefit Design
Four of the QHPs we reviewed have higher overall deductibles than in 2016 (Florida Blue, Florida Blue HMO, Florida Health Care, and Molina). Three issuers (Ambetter, Florida Blue, and Florida Blue HMO) have $6,500 (individual) /$13,000 (family) deductibles, which are near the allowable 2017 out-of-pocket limits of $7,150/$14,300 in their lowest-cost Silver plans. (We note that both

¹ United, Aetna, and Coventry participated in 2016 but not in 2017.
² We review Silver-level QHPs because they are the most popular and the only metal level to which cost-sharing reductions for eligible consumers apply.
Florida Blue and Florida Blue HMO offer Silver-level plan variations with separate prescription drug deductibles.

Also of concern are additional tiers and increased copay and coinsurance amounts. For example, Florida Blue added three tiers, going from a four-tier structure to a seven-tier structure, increasing the copay amounts on two tiers and replacing copays with 50% coinsurance on two tiers. Molina increased coinsurance from 30% to 40% on both its non-preferred and specialty tiers. Florida Blue HMO also increased its copay/coinsurance amounts on two of its six tiers, while decreasing the copay on its “low-cost generic tier.”

Some issuers made positive changes for consumers. For example, Molina now provides first dollar coverage for all prescription drugs by exempting them from the deductible completely, while Florida Health Care and Humana now exempt generics from the deductible. Health First and Humana both added a separate prescription drug deductible of $500 (individual) /$1,000 (family), which is much more reasonable than their QHPs’ overall deductibles.

**HIV Drug Coverage**

Coverage of HIV drugs continues to be strong, with all QHPs we reviewed complying with the benchmark plan count overall. (Molina covers two fewer drugs than the benchmark in the NRTI class but is in compliance overall.) Similarly, our review demonstrates that issuers, for the most part, are following the Florida Insurance Commissioner’s [directive](#) and [safe harbor guidelines](#) which limit patient cost-sharing for HIV drugs. The notable exceptions are Florida Blue, Florida Blue HMO, and Ambetter which require patients to meet very high deductibles before the cost-sharing caps apply. Florida Health Care also requires patients meet the deductible before the caps apply, but their deductible is considerably lower. Furthermore, the Florida Blue plans do not clearly identify the caps for HIV drugs on tiers that use coinsurance. However, in discussions, Florida Blue states that cost-sharing is capped in accordance with the FOIR safe harbor, but failed to explicitly note that on their public formularies until after open enrollment, and some versions of their formularies still do not. We believe that this incomplete and unclear cost-sharing information could discourage people living with HIV from enrolling in Florida Blue’s QHPs.

We also note that Florida Blue and Florida Blue HMO now require prior authorization for all branded HIV Rx, a change implemented in late 2015. We believe this is in direct conflict with the Florida Insurance Commissioner’s [guidelines](#) and is a barrier to access. Of similar concern, Ambetter along with Florida Blue and Florida Blue HMO, require prior authorization for Truvada (which is the only drug approved for pre-exposure prophylaxis or PrEP), while the other four issuers do not have this requirement.

**Hepatitis C Drug Coverage**

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3 Prior to reviewing 2017 QHPs, the Florida Office of Insurance Regulation sent a [memo](#) to all insurers saying that it would deem plans to be discriminatory if they did not limit patient cost-sharing for HIV medications to levels that are similar to Florida’s “benchmark” plan. The [benchmark plan](#) limits patient cost-sharing to $40, $70, or $150 per 30-day supply, depending on the medication. One injectable medication has an allowable copay of $200.
Our review showed some improvement in overall hepatitis C drug coverage, as most of the QHPs added coverage of one or more additional direct-acting antivirals. However, tier placement, high cost sharing, and prior authorization continue to restrict access. For example, Ambetter covers 12 hepatitis C drugs, but requires prior authorization for all and places 11 of them on the specialty tier with no coverage until the $6,500 deductible is met. Florida Blue, Florida Blue HMO, Health First, and Molina place all of their covered hepatitis C drugs, including generics, on the highest cost sharing tiers, and most require 30% – 50% coinsurance and prior authorization.

**Conclusion**

We continue to credit the Florida Insurance Commissioner with effectively enforcing the Affordable Care Act’s nondiscrimination and Essential Health Benefits rules as well as state law that prohibit QHPs from discriminating against people living with HIV in designing their prescription drug benefits. While we are grateful that the Commissioner included hepatitis C, among other conditions, in its 2017 review for adverse tiering and other discriminatory practices, our analysis shows that much more needs to be done to bring issuers into compliance and help patients with hepatitis C and other chronic and serious conditions be able to access and afford their medications. As regulatory power shifts from the federal level to the states, states may need to enact laws that provide their insurance commissioners more authority to enforce patient protections. For example, the Florida Insurance Commissioner cites state law for its increased authority over HIV coverage but that it does not have the same authority to act on other drug classes.


Thank you to Natalie Kean, Frank Hood, Zach Eisenstein, and intern Kailey White of The AIDS Institute’s DC office for conducting this review. Please feel free to contact us with any questions or comments. Thank you.