



## Helping Patients Manage Out-of-Pocket Specialty Rx Costs SF 365/HF 633

Thanks to innovative new treatments, many once-fatal diseases are now managed as chronic conditions. But the costs of these breakthroughs can put them out of reach for patients.

- Patients face high cost-sharing requirements such as upfront deductibles and monthly coinsurance – sometimes costing thousands of dollars a month.
- Such high costs may force some patients to stop filling their prescriptions entirely.<sup>i</sup> Patients who abandon treatment can end up getting sicker, which only triggers more costs to our health care system.<sup>ii</sup>
- High deductibles and coinsurance are a standard feature of most plans available today and are difficult to avoid when shopping for health plans.

**\$6,785**

*Median monthly income  
in Minnesota<sup>iii</sup>*

**\$4,940**

*Avg. monthly household  
expenses<sup>iv</sup>*



*Monthly out-of-pocket cost  
for specialty prescriptions  
in January:<sup>v</sup>*

**\$6,232**

multiple myeloma

**\$3,758**

multiple sclerosis

**\$3,616**

breast cancer

**\$3,381**

arthritis

**Sponsored by  
Senator Carla Nelson, Representative Robert Bierman**

# This legislation can help patients avoid having to choose between affording care and affording other necessities.

Our bill will require individual and small-market health insurers to ensure that at least 25 percent of their plans offer flat-dollar copays in every service area and at every level of coverage they serve. The plan copays are modified so that patients pay no more than 1/12<sup>th</sup> of their maximum out-of-pocket cost per prescription per month, pre-deductible.

This shields patients from making massive lump-sum payments at the start of the year and makes insurers whole. Studies show that if premiums shift, those small changes can be applied only to the people who choose to buy these plans.<sup>vi</sup>

The Minnesota Department of Commerce reports that this bill would improve public health and reduce consumer financial barriers to health care, with most insurers noting no significant impact on premiums.<sup>vii</sup> The benefit works – now let's get it done.

## Endorsing Organizations

The Aliveness Project  
American Cancer Society Cancer Action Network  
Arthritis Foundation  
Association for Clinical Oncology  
Autoimmune Association  
Cancer Legal Care  
Coalition of State Rheumatology Organizations  
Epilepsy Foundation of Minnesota  
Hemophilia Federation of America  
Hemophilia Foundation of Minnesota/Dakotas  
The Leukemia & Lymphoma Society

Minnesota Cancer Alliance  
Minnesota Medical Association  
Minnesota Pharmacists Association  
Minnesota Rural Health Association  
Minnesota Society of Clinical Oncology  
NAMI Minnesota  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Psoriasis Foundation  
Rainbow Health  
Susan G. Komen

For more information, please contact:

Dana Bacon  
Minnesota Government Affairs Director  
The Leukemia & Lymphoma Society  
[dana.bacon@lls.org](mailto:dana.bacon@lls.org) -- 612.308.0479

*Revision Date: Jan. 31, 2022*

<sup>i</sup> Cutler, R.L. et al., "Economic impact of medication non-adherence by disease groups: a systematic review." The BMJ. January 21, 2018.

<sup>ii</sup> Claxton, G., Levitt, L., Long, M., "Payments for cost sharing increasing rapidly over time." Petersen-Kaiser Health System Tracker, Insight Brief. April 12, 2016.

<sup>iii</sup> <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-households.html>

<sup>iv</sup> <https://www.bls.gov/cex/tables.htm#annual>

<sup>v</sup> Assumptions based on dosing information from drugs.com; VA Federal Supply Schedule prices as of January 1, 2021; generalized Silver-level benefits of \$3,000 deductible, \$7,900 maximum OOP, 20% coinsurance for specialty medications, without cost-sharing reductions.

<sup>vi</sup> <https://us.milliman.com/-/media/milliman/importedfiles/uploadedfiles/insight/2017/impact-prescription-drug-copay-guidance-co-mt.ashx>

<sup>vii</sup> Minnesota Department of Commerce. "Evaluation of HF633-1E, Report to the Minnesota Legislature pursuant to Minn. Stat. §62J.26." January 26, 2022.