Cascade Care: 2025 Standard Plan Design Options
Public Comments (Public Comment Period: October 26 – November 27, 2023)
December 12, 2023

Cambia

Comments Received: November 27, 2023
Our feedback is to keep the plans as close to 2024 as possible (option A). As we have been discussing, we would also love to see that WAHBE do away with limited upfront PCP/MH benefit and just make an unlimited low cost copay. This would simplify the design and give the value we are discussing in the deck.

Another reason we prefer option A – just for the simplicity of not having to breakout a High-Value Generics Rx tier. We do not see the cost sharing on the current generic tier as extremely prohibitive – amounting to mostly a $5-$7 difference to the high value copay.

Coordinated Care
Comments Received: November 27, 2023

Thank you for the opportunity to provide feedback. Please find Coordinated Care's comments below.

Which option (A or B) is preferred for each metal level and why? Do you think that one set of options better accomplishes Exchange goals of balancing richness with higher cost share and promoting equity? Although we are open to both options, for both silver and gold plans we prefer Option B as we offer a preferred generic prescription drug cost share on our non-standard plans in PY 2024. Aligning benefit offerings across our non-standard and standard plans is something we are for.

Any feedback on potential premium impacts of the proposed options? In general, we can say the pricing impact will depend on the amount of utilization we experience on these high value generic drugs. We recognize that the plan designs under Option B have offsetting changes to the Deductible or MOOP that produce very similar Federal AVs to Option A. To the extent that our experience for these high value generics differs from the experience used to produce the AV calculator input, or that our pricing AV calculator is different from the federal AV calculator, our AVs may not align as nicely between the two scenarios.

Molina
Comments Received: November 27, 2023

Thank you for the opportunity to provide additional comment on the draft 2025 Cascade Care plan design options. On behalf of Molina Healthcare, please find the following comments.

From an operational standpoint, the requirement to offer a high-value generic tier would have significant impact on health plan issuers.

- Requiring a high-value generic tier for some metal levels and not others could require multiple formularies to be configured, maintained, and published for issuers operating on the exchange in Washington. As proposed, it would be one list and number of tiers for Bronze, and another list and number of tiers for Silver and Gold.
- Consider permitting issuers to apply the same formulary list and tiering across all metals (same number of tiers for and same drug list), but when it comes to the cost-sharing for the high value generic tier, for plans that do so, require the same cost-sharing rate for the Bronze high-value generic tier as is specified for general generic tier. This may be a way to maintain the Actuarial Value for the Bronze plans, but allow the issuers some operational efficiency in maintaining formulary designs.

From a drug selection standpoint, a broad category approach with no insurer flexibility to select what is "high-value" within the category is impactful.

- The categories chosen include categories that no issuers or pharmacy businesses include in "value" lists that have made business sense for them to offer.
- The average cost per prescription in some of the categories is higher than $150 (e.g., anti-addiction, steroid inhalers, antiretrovirals).
- As proposed, there is no flexibility to adapt to the changing prices of drugs which may take longer make them "high value" compared to other available drugs.
- There are certain generic drugs that are opportunistic products – very high cost and do not offer value above other formulations. A category approach with no additional guidance may result in an inability to manage against utilization for certain types of drug products:
    - Certain metformin extended release generics,
    - Fluoxetine tablets (versus capsules),
    - Certain orally disintegrating tablet (ODT) formulations where cost is not consistent with added value of regular tablets, and
    - Combination drugs where two generic $1 ingredients are combined, and cost is inflated to $50 or more per prescription.
- The requirement to include all generics within a certain category is going to impact issuers differently depending on Maximum Allowable Cost (MAC) rates for drugs in those categories. Flexibility to meet a count within a category, rather than include all generics within that category, would allow for mitigation of that risk and variability between plans. As is, the high value generic list requirement could present a financial advantage for plans that have their own Pharmacy Benefit Manager (PBM) and a detriment to others who do not own their PBM.
- Requiring all generics within a category does not take into consideration the cost of new launch generics. In some cases, new launch generics are still about the same cost as the brands they correspond to for six-to-twelve months after launch. Consider allowing a six-to-twelve month period before a generic drug that corresponds to a certain class would be required to be moved to the high-value generic tier.

Thank you for your consideration of Molina's comments, and if there are any questions, we would be happy to discuss as needed.

UnitedHealthcare
Comments Received: November 27, 2023

UnitedHealthcare recommends Option A for all Cascade plans for the following reasons:

- UHC supports use of high value medications for all medical conditions to promote equity for all members. For plan year 2023 (to date), UHCs Individual and Family Plans' average member cost-share of Tier 1 generics is $8.50 per prescription and over 80% of claims are for Tier 1 generics.
- The average member cost-share for medications defined as high value generics (in Option B) is $7.00 per prescription (based on PY23 UHCs IFP claims in WA), which results in a small member savings for some Cascade plans only but would result in higher deductibles and/or MOOPs that would be difficult to justify.
- Creating a high value generic tier for select plans only will require plans to develop two formularies. This decreases operational efficiencies and can make it challenging for members and healthcare providers to identify the correct formulary to use on our public websites.