

October 21, 2011

Kathleen Sebelius, Secretary
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Re: CMS-9982-P. Notice of Proposed Rulemaking Regarding Summary of Benefits and Coverage and the Uniform Glossary

Dear Secretary Sebelius:

We appreciate the opportunity to submit our comments and observations regarding the above referenced Notice of Proposed Rulemaking that strives to implement the portions of the Patient Protection and Affordable Care Act that require the disclosure of the summary of benefits and the uniform glossary for group health plans and health insurance coverage in the group and individual markets. The National Community Pharmacists Association (NCPA) represents America's independent community pharmacists, including the owners of more than 23,000 community pharmacies, pharmacy franchises and chains. Together, these employ over 300,000 full-time employees and dispense nearly half of the nation's retail prescription medicines.

Specifically, NCPA supports three of the four additional proposed elements of the Summary of Benefits and Coverage (SBC) proposed by NAIC not specified in statute and the inclusion of a definition of "specialty drug" in the Uniform Glossary.

NCPA Supports Inclusion In SBC of An Internet Address That Would Provide Information on Various Network Providers

The template for the SBC drafted by the NAIC working group included four additional elements that were not specifically called for in statute. The first additional element would require plans and issuers that maintain one or more networks of providers, to provide an internet address (or similar contact information) where consumers may obtain a list of the various network providers. NCPA strongly supports the inclusion of this element in the SBC. NCPA feels that providing consumers with a list of the network providers--including pharmacy care providers-- would be valuable information particularly as consumers compare health insurance coverage options. Many patients when deciding on coverage or when evaluating different plans may wish to choose one that would allow them to continue to see their trusted health care providers or would simply provide them with an adequate choice of providers. Patients should also be informed if the plan imposes any restrictions on the use of a particular pharmacy i.e. if mail order pharmacy is required or if after a certain number of refills obtained at a community pharmacy the use of mail order is mandated.

Providing this critical information to consumers would allow them to make informed decisions about their health care coverage and potentially compare plans based not only on cost considerations but also on access to their long- standing health care providers.

NCPA Supports Inclusion in SBC of Internet Address That Would Provide Specific Information on Prescription Drug Coverage

NCPA also supports the second additional element proposed by NAIC that would require plans and issuers that maintain a prescription drug formulary to provide an internet address where an individual may find out more information about the prescription drug coverage under the plan. Evidence has shown that the structure and design of the prescription drug benefit, or pharmacy benefit, is one of the more important features of a health care plan to patients.¹ In one study, the pharmacy benefit was cited by 75% of respondents as the reason for joining their plan.² Prior to choosing a health plan, consumers need to have access to information that will give them a sense of the scope of drug products that are covered by a particular plan and accordingly what their out of pocket expenses may be under a particular plan. In addition, consumers also need to be aware of any cost containment techniques that are employed by a particular plan that may affect their prescription drug coverage such as formulary restrictions, prior authorizations and tiered copayments, all of which may cause confusion and dissatisfaction with the pharmacy benefit and therefore a particular plan. In addition, a toll-free number should be provided whereby the consumer can talk to someone about any questions they may have regarding their prescription drug coverage.

NCPA Supports Inclusion in SBC of Internet Address Where an Individual May Review Uniform Glossary

NCPA supports this additional pathway by which individuals may access the uniform glossary. Ensuring that all consumers are aware of and able to access this critical shared reference document should be encouraged.

NCPA Supports Inclusion of Definition of “Specialty Drug” in Uniform Glossary

The NPRM specifically asks for comments as to whether the addition of a definition of “specialty drug” in the Uniform Glossary would be helpful to consumers. According to many health care insiders, specialty drugs are poised for a long run of expansion and increased utilization. It has been estimated that specialty drugs will account for the majority of new drug approvals in coming years and will consume approximately 40% of a health plan’s drug spending by 2020.³ In spite of these expected quantum leaps in specialty drug utilization, there is no standardized industry definition of what constitutes a specialty drug. Most industry participants agree on the fact that these medications are typically high cost items that are generally used to treat patients with difficult conditions marked by co-morbidities, tough therapeutic regimens, and high rates of recidivism.⁴ Given the fact that some health plans impose various coverage restrictions on specialty drugs,

¹ “Determinants of Satisfaction with Prescription Drug Plans,” American Journal of Health-System Pharmacy. 2001;58(12)

² Wilson J. Medicare managed care: Consumers’ Perspectives. Clin. Ther. 1998;20: 1263-76

³ Specialty Pharmacy Whitepaper, URAC 2011

⁴ Specialty Pharmacy Whitepaper, URAC 2011

giving consumers some insight as to the typical characteristics inherent in these medications would be useful. In addition, some plans and payers have attempted to capitalize on the fact that there is no standard definition of the term and deem many commonly prescribed and utilized medications as “specialty,” in order to impose coverage or pharmacy network restrictions that may otherwise be unwarranted.

NCPA would recommend that the Agencies involved in this NPRM consider adding the following definition of “specialty drug” to the Uniform Glossary.

“Specialty Drug”—A typically high-cost medication that usually requires special handling, administration, unique inventory management, a high level of patient monitoring and more intense support than conventional therapies.”

Conclusion

In conclusion, NCPA strongly supports three of the four additional elements for the Summary of Benefits and Coverage that were recommended by the NAIC working group. In particular, NCPA supports the inclusion in the SBC of an internet address where consumers can go to find additional information about various network providers under a particular plan as well as an internet address where consumers can find specific information about the prescription drug coverage under a particular plan. Finally, given the expected increase in the utilization of specialty drugs and the fact that plans may impose coverage and/or network access restrictions on such medications, NCPA would strongly suggest the inclusion of the above referenced definition for “specialty drug” in the Uniform Glossary.

NCPA greatly appreciates the opportunity to provide these comments and suggestions.

Sincerely,



John M. Coster, PhD., RPh.
Senior Vice President, Government Affairs