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LRB097 12219 RPM 56653 r

1 HOUSE RESOLUTION 450

2 WHEREAS, In response to high costs for specialty-tier  
3 prescription drugs for chronically ill, insured patients,  
4 employer health plans and employer prescription drug plans have  
5 increased enrollee cost sharing amounts, instituted  
6 coinsurance, and implemented specialty tiers; and

7 WHEREAS, The Medco 2011 Drug Trend Report showed that  
8 non-specialty medications grew at 1.1% in 2010 and specialty  
9 drugs grew at a pace of 17.4%; and

10 WHEREAS, The price of specialty-tier drugs is often higher  
11 than traditional generics or branded medications and can create  
12 significant financial pressures on employer health plans,  
13 employer prescription drug plans, and individuals who purchase  
14 an individual health insurance policy; and

15 WHEREAS, The National Conference of State Legislatures  
16 reports that between the years 2000 and 2009, copayments for  
17 insured workers have increased for specialty-tier drugs; and

18 WHEREAS, Medicare has used specialty tiers since 2006 to  
19 help control prescription drug costs on behalf of taxpayers;  
20 and

1           WHEREAS, Nationally, 11% of employers utilize a  
2 coinsurance or percentage of the cost of fourth-tier or  
3 specialty-tier prescription medications to help control the  
4 cost of their prescription drug benefit plans; and

5           WHEREAS, Specialty-tier medications are often life-saving  
6 drugs and include medications for chronic diseases, including  
7 certain types of cancer, hemophilia, multiple sclerosis,  
8 myositis, neuropathy, arthritis, human immunodeficiency virus,  
9 and other diseases and disorders and do not have brand or  
10 generic alternatives; and

11           WHEREAS, Step therapy is a strategy offered by employer  
12 health plans and employer prescription drug plans to  
13 incentivize plan participants to utilize lower cost generics or  
14 preferred brand alternatives when available; and

15           WHEREAS, A specialty tier is a cost-sharing benefit  
16 structure utilized by employer health plans for prescription  
17 drugs that requires a consumer for any drug to pay a greater  
18 cost than that which applies for a non-preferred brand name  
19 drug; and

20           WHEREAS, Specialty tier benefit structures may place  
21 financial burdens upon insured individuals with chronic health  
22 care issues requiring prescription medication, and may lead to

1 decreased adherence or failure to take medications as  
2 prescribed, that may result in acute incidents and negative  
3 health outcomes such as doctor visits, emergency room visits,  
4 and hospital stays that can be much more expensive; therefore,  
5 be it

6 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE  
7 NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that  
8 the Department of Insurance shall (1) determine the impact a  
9 designed benefit plan that implements coinsurance for  
10 prescription medications has on individuals and employer  
11 health plans; (2) study the availability of manufacturer  
12 discounts and assistance plans to individuals and employers for  
13 specialty-tier medications; (3) determine the percentage of  
14 small group and large group health plans in this State  
15 providing prescription drug benefits and identify plan options  
16 used by employer health plans and individuals to assist them to  
17 contain the costs of their specialty drug benefits; and (4)  
18 identify and evaluate options for reducing any negative impacts  
19 of cost sharing, coinsurance, and specialty-tier pricing; and  
20 be it further

21 RESOLVED, That the Department of Insurance shall report to  
22 the General Assembly on the first day of November, 2012 on its  
23 findings, conclusions, and recommendations; and be it further

1           RESOLVED, That a suitable copy of this resolution be  
2 delivered to the Director of Insurance.