



Marti Hooper  
Actuary  
Maine Bureau of Insurance  
#34 State House Station  
Augusta, ME 04333-0034

Re: Clear Choice Stakeholder Group Comments in Follow-up to Aug 12 Meeting

Dear Ms. Hooper:

On behalf of The Leukemia & Lymphoma Society (LLS), thank you for the opportunity to provide the following comments regarding the August 12<sup>th</sup> meeting of the Clear Choice Stakeholder Group. While LLS was not a participant in that initial meeting, we have reviewed notes and since been added to the stakeholder distribution list. We are grateful for the opportunity to provide insight and recommendations to help inform the Group's work going forward.

At LLS, our mission is to find cures for leukemia, lymphoma, Hodgkin's disease, and myeloma, and to ensure that blood cancer patients have sustainable access to quality, affordable, coordinated healthcare. We represent the nearly 1.4m blood cancer patients and survivors across the United States, including more than 7,400 Mainers who are in remission from or currently living with a blood cancer diagnosis. It is our focus on patient access to quality and affordable health care that drives the following input into the Group's work.

In short, our recommendations fall along three broad lines. We feel it is imperative that Clear Choice plans:

- Keep plan designs transparent and comprehensible, so that patients know what they're buying;
- Keep prescription costs manageable, so that patients can afford their treatments;
- Keep pre-deductible coverage robust, so that patients can manage costs.

### **Transparent and comprehensible plan design**

The name "Clear Choice" implies exactly that: clarity. Given how important it is for patients and consumers to know what they're buying when they seek to purchase insurance for themselves and their families, Clear Choice plan designs offer a compelling opportunity for Maine to dramatically simplify the process of comparing coverage. We urge the State to carefully consider ways to meet consumers where they are when it comes to their health literacy and a lay understanding of insurance design terminology, ensuring that Clear Choice plans offer benefits that consumers can reasonably be expected to understand.

A 2019 report to the National Association of Insurance Commissioners found that participants in a focus group were unfamiliar with the term coinsurance and struggled to comprehend what it meant as far as their exposure to costs associated with plan benefits.<sup>1</sup> That same study found that disclosure notices went “largely unnoticed”: we therefore do not expect that this is a problem that can simply be solved by providing more plan documentation as part of the enrollment process (though we certainly support the availability of plain-language explanations of insurance terms and robust plan documentation and disclosures being made available to patients, consumers, and potential enrollees).

We therefore suggest that Clear Choice plan designs be made available in as transparent a manner as possible. This includes simple, searchable provider network and pharmaceutical tier lists. Additionally, Clear Choice plans should offer copay-only prescription benefits coverage and avoid the use of coinsurance to the greatest extent possible, at all prescription tiers and all metal levels.

### **Manageable prescription costs**

Discussions of health literacy cease to be academic when a patient with a chronic condition is trying to buy a plan, where a mistake or a misunderstanding could result in potentially thousands of dollars in unanticipated costs. It is not enough for a plan to simply “cover” a needed drug on a formulary if the patient cost-sharing is so high as to make the drug functionally unobtainable.

Multiple<sup>2</sup> studies<sup>3</sup> have demonstrated that patient adherence to prescribed medication regimens correlates strongly with their exposure to out-of-pocket costs. Put simply, as costs go up, the number of patients who take their meds as prescribed goes down.

We therefore urge Maine, in addition to adhering to a copay-only structure for simplicity, to keep those copays as low as is possible in order to maximize the ability of patients to access the drugs they need. We feel this should be applied to all prescription tiers at all metal levels.

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<sup>1</sup> “New Consumer Testing Shows Limited Consumer Understanding of Short-Term Plans and Need for Continued State and NAIC Action,” [https://healthyfuturega.org/wpcontent/uploads/2019/04/Consumer-Testing-Report\\_NAIC-Consumer-Reps.pdf](https://healthyfuturega.org/wpcontent/uploads/2019/04/Consumer-Testing-Report_NAIC-Consumer-Reps.pdf) (Accessed August 26, 2020)

<sup>2</sup> Devane, Katie, Katie Harris, and Kevin Kelly. “Patient Affordability Part Two: Implications for Patient Behavior & Therapy Consumption.” IQVIA. (May 2018) Available online at: <https://www.iqvia.com/locations/united-states/patient-affordability-part-two> (Accessed August 26, 2020)

<sup>3</sup> Streeter, S.B., Schwartzberg, L., Husain, N., Johnsrud, M. “Patient and plan characteristics affecting abandonment of oral oncolytic prescriptions.” American Journal of Managed Care. 2011. 175 (5 Spec No.): SP38-SP44.

### **Maximize first-dollar coverage**

Making plan coverage understandable and keeping prescription copays reasonable is only useful when first-dollar coverage is maximized. A copay that is comprehensible and affordable ceases to be either when it is walled behind a hefty deductible, which studies have shown is a significant barrier to patient access to covered services.<sup>4</sup> We therefore urge that, to the greatest extent possible within the constraints of actuarial value and other benefit design considerations, pre-deductible prescription coverage be prioritized when designing Clear Choice plans.

### **Additional considerations**

We feel that one of the greatest benefits that Clear Choice plans present to consumers is, as previously stated, their very clarity and simplicity. We therefore recommend against creating multiple variants, versions, or “tiers” of Clear Choice plans, and instead suggest uniformity in plan design within tiers.

We encourage the State to follow Washington state’s lead and hire external actuaries to assist in the review of Clear Choice designs. Stakeholders in Washington, including LLS, found the additional expertise and perspective of a third-party actuarial firm in the design process helped to balance stakeholder input.

We encourage the State to consider approving only Clear Choice designs that meet an actuarial value (AV) of 60% or greater for Bronze, 70% or greater for Silver, and 80% or greater for Gold plans. LLS opposed the expansion of the allowable de minimis AV variation for most plans from -2/+2 to -4/+2 in the 2017 Marketplace Stabilization Rule. Our position now is the same as it was then: we believe consumers are best served by plans that provide a healthy overall value proposition that balances premiums against out-of-pocket costs. That includes limitations to out-of-pocket exposure *within* a metal level, and by ensuring that plans demonstrate meaningful variance in AV *between* metal levels. While we appreciate that achieving a specific AV can be challenging, we would note that Silver-level plans offered to meet CSR requirements have been allowable only within a -/+1 de minimis variation to their 73%, 87%, and 94% values.<sup>5</sup> We are therefore confident that the State can achieve Clear Choice designs that meet our recommended thresholds.

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<sup>4</sup> Hamel, L., Munana, C. & Brodie, M. (May 2, 2019). Kaiser Family Foundation/LA Times Survey Of Adults With Employer-Sponsored Insurance. Kaiser Family Foundation. <https://www.kff.org/report-section/kaiser-family-foundation-la-times-survey-of-adults-with-employer-sponsored-insurance-section-2-affordability-of-health-care-and-insurance/> (Accessed August 26, 2020)

<sup>5</sup> Jost, Timothy. “Examining The Final Market Stabilization Rule: What's There, What's Not, And How Might It Work? (Updated)” Health Affairs Blog. (April 14, 2017). Available online at: <https://www.healthaffairs.org/doi/10.1377/hblog20170414.059646/full/> (Accessed August 27, 2020)



We would note one clarification to the spreadsheet of standard benefit designs in other states: while New York does not limit plans to three tiers through the standard benefit design, New York state statute does prohibit the use of specialty drug tiers in plans sold in the state.

We welcome the opportunity to be of further assistance to the State and the Group as this work proceeds, and look forward to engaging as a member of the Group moving forward.

Please reach out to me directly with any questions, concerns, or requests for further information at [steve.butterfield@lls.org](mailto:steve.butterfield@lls.org) or 207-213-7254.

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