

**Michael A. Vereb**  
**Republican Leadership**  
**Caucus Secretary**



**150<sup>th</sup> Legislative**  
**District**

**Harrisburg Office**  
Room 146 Main Capitol  
Po Box 202150  
Harrisburg PA 17120-2150  
717-705-7164

**District Office**  
3950 Germantown Pike  
Suite 101  
Collegetown PA 19426  
610-409-2615

## **MEMORANDUM**

**To:** All House Members  
**From:** Representative Mike Vereb  
**Date:** May 9, 2011  
**Re:** Proposed Legislation ~ Specialty Tiers

---

In the near future I plan to introduce legislation to better assure that patients can obtain the prescription drugs that are recommended by their treating physician, by prohibiting health plans from creating multiple tiers within their formularies for non-preferred prescription medications.

This legislation addresses a new but significant issue facing individuals with serious health conditions such as rheumatoid arthritis, psoriatic arthritis, lupus, multiple sclerosis, hepatitis C and some cancers. For these individuals living with debilitating conditions, access to appropriate prescription drugs can dramatically improve disease outcome and quality of life.

Traditionally, individuals with these conditions paid reasonable co-pays for medications as part of their health insurance coverage. Recently, a number of health insurance companies throughout the country are beginning to adopt a new pricing system, referred to as Tier IV, for very expensive drugs, asking patient to pay hundreds and even thousands of dollars for prescriptions for medications that may save their lives or slow the progression of serious diseases. The new pricing system or Tier IV requires patients to pay a percentage of the cost, usually 20-33 percent, instead of a fixed amount per prescription.

When prices of specialty medications fluctuate without warning, patients are stuck making the difficult choice between stopping their treatment which worsens the condition, or going into debt. This legislation prohibits health insurers and health maintenance organizations from creating specialty tiers within their prescription drug formularies that require payment of a percentage cost of prescription drugs. It will also limit the out-of-pocket expenses for prescription drugs per contract year.

If you would like to cosponsor this piece of legislation, please contact Julianne Naccarato of my office via phone 705-7164 or email [jnaccara@pahousegop.com](mailto:jnaccara@pahousegop.com).