

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re:)
Cigna Health and Life Insurance Company) GMCB-002-24rr
Large Group Filing) SERFF: CCGP-134009857
)

**HCA SUGGESTED QUESTIONS FOR CIGNA HEALTH AND
LIFE INSURANCE COMPANY**

The Office of the Health Care Advocate suggests the following questions for the Green Mountain Care Board to pose to Cigna Health and Life Insurance Company in the above captioned matter.

1. In Table 33 – Retail AWP per Script Assumptions, non-preferred brands are frequently less expensive on a per script basis than preferred brands across all formularies. For example, on all but the National Preferred Formulary, non-preferred brands are less expensive in six drug categories, whereas preferred brands are less expensive in just two categories. On the National Preferred Formulary, non-preferred brands are less expensive in at least five drug categories.
 - a. Please confirm this observation and explain why Cigna would prefer brand drugs with a higher AWP per script.
 - b. Is it the case that Cigna expects preferred brand drugs will be cheaper net of rebates and other discounts?
 - c. If so, how is this expectation accounted for when Cigna calculates a subscriber's rate? In section 7.9 of the filing, it is stated simply that discounts are applied to the trended AWP per script and that discount assumptions range from 11% to

58% on brand drugs – without any evident mechanism to distinguish between preferred and non-preferred brands.

- d. Regarding the impact to consumers of this preference for higher list price brand drugs, is it correct that, during the deductible phase, beneficiaries will pay those higher list prices, or a set discount off those higher list prices, e.g. AWP minus 15%, and that, at least in some cases, beneficiaries will pay more out-of-pocket during the deductible phase for a preferred brand than they would have paid for an equivalent non-preferred brand?
2. We compared the list of FDA-approved HIV medicines¹ with the Specialty Formulary List provided in the filing and observed that all 47 FDA-approved HIV medicines are classified as specialty.² Further, when generic versions of brand HIV medicines exist, both the generic and brand versions of the medicine are classified as specialty. Lastly, although deemed specialty, each medicine is also assigned to one of four drug tiers.
 - a. What are the four drug tiers? Presumably Tier 1 is Generic, Tier 2 is Preferred Brand, and Tier 3 is Non-Preferred Brand. Is that correct? What is Tier 4?
 - b. What trend and discount assumptions are applied to the drugs on the Specialty Formulary List? Are these drugs all trended and discounted as specialty drugs or are they trended and discounted based on their drug tier?
 - c. How does a drug's classification as specialty affect patient access? Are beneficiaries restricted to using pharmacies that belong to Cigna's or its pharmacy

¹ *FDA-Approved HIV Medicines* (March 23, 2023), <https://hivinfo.nih.gov/understanding-hiv/fact-sheets/fda-approved-hiv-medicines>.

² Cabotegravir appears on the Specialty Formulary List as Apretude.

benefit manager's specialty network? If so, please provide a list of all pharmacy locations in or serving Vermont that are in the specialty network.

- d. How does a drug's classification as specialty affect the affordability of those drugs to consumers? Does Cigna offer plans in which all specialty drugs are subject to coinsurance rather than copays? If so, please confirm that, under such plans, all medicines for treatment of HIV would be subject to coinsurance. What are the percentages of coinsurance required under such plans?

Dated in Rutland, Vermont, this 28th day of March 2024.

/s/ Charles Becker
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CERTIFICATE OF SERVICE

I, Charles Becker, hereby certify that I have served the above HCA Suggested Questions for Cigna Health and Life Insurance Company on Michael Barber, Laura Beliveau, Geoffrey Battista, and Tara Bredice at the Green Mountain Care Board; and upon Jody Sanders, CIGNA representative of record, by electronic mail, delivery receipt requested, this 28th day of March 2024.

/s/ Charles Becker
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