## Sneed Law Firm, LLC

### Memorandum

To:

The Honorable Brenda Landwehr, Chair

House Health & Human Services Committee

From: William W. Sneed, Legislative Counsel

America's Health Insurance Plans

Date: February 4, 2021

RE:

HB 2157

Madame Chair, Members of the Committee: My name is Bill Sneed and I am Legislative Counsel for America's Health Insurance Plans. Please accept this memorandum as my client's opposition to HB 2157

AHIP is the national association whose members provide coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities, and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers. Our members are committed to providing consumers with affordable products that offer a broad range of robust provider networks of quality, cost-efficient providers.

Step therapy protocols are utilized by many insurers to ensure that patients begin drug therapy for a medical condition with the most cost-effective and safest drug before progressing to other costlier or riskier therapy. Step therapy protocols are often developed using U.S. Food and Drug Administration (FDA) guidelines, clinical evidence and research. Recent legislative efforts to impose overly prescriptive clinical criteria on step therapy protocols would hinder the use of this important tool and limit its effectiveness.

#### Overly Prescriptive Clinical Review Criteria Are Redundant and Unnecessary

- ✓ Step therapy protocols encourage physicians and patients to undertake a more evidence-based and measured approach to treatment that is tailored to the individual by gauging a patient's response to less harmful medications before graduating to the more potent and high-risk drugs.
  - o As previously mentioned, these protocols are often developed U.S. Food and Drug Administration (FDA) guidelines, clinical evidence and research.
- ✓ Forcing carriers to implement additional, and potentially costly, requirements would act as a deterrent to the use of these protocols.
- ✓ Step therapy protocols already work to ensure patient safety using scientifically appropriate guidelines.

# <u>Legislation That Broadens the Criteria for Exceptions to a Step Therapy Protocol Is</u> **Potentially Dangerous**

- ✓ An exception to an established step therapy protocol should only be considered at the request of a health care provider, not the patient. Important clinical decisions should not be made at the behest of patients who may not fully understand the scientific ramifications behind a physician's decision or are partial due to direct-to-consumer drug advertising.
- ✓ An exception to an established step therapy protocol should not be granted because a prescription drug "is not in the best interest of the patient." This standard is impermissibly broad and subjective.
- ✓ An exception to an established step therapy protocol should not be granted only because a patient is stable on a prescription drug. This would potentially allow patients to receive exemptions as a result of using sampled drugs, and would eliminate one of the key functions of a step therapy protocol: the use of cost-effective alternative treatments in the place of more expensive or higher risk medications.

#### The Use of Step Therapy Protocols Should Be Encouraged

- ✓ Step therapy protocols are important cost containment measures. Expenditures on prescription drugs are rising every year and contribute significantly to rising health care costs.
- ✓ Step therapy protocols ensure that insurers can continue to provide affordable coverage of prescription drugs.

We contend that after you have heard our concerns, you will agree to not take action on HB 2157. Thank you for your time and I will be available for questions at the appropriate time.

Respectfully submitted,

William W Sneed