

April 7, 2015

The Honorable William J. Lippert
Chair
House Committee on Health Care
Vermont House of Representatives
Vermont State House
115 State Street
Montpelier, VT 05633

RE: House Bill 289

Dear Representative Lippert,

The Academy of Managed Care Pharmacy (AMCP) supports House Bill 289 as introduced. This legislation would direct pharmacists to fill prescriptions for biological products with an interchangeable biological product unless otherwise specified by the prescriber or purchaser.

AMCP is a national professional association of pharmacists and other health care practitioners, including 4 members in Vermont, who serve society by the application of sound medication management principles and strategies to improve health care for all. The Academy's nearly 7,000 members develop and provide a diversified range of clinical, educational and business management services and strategies on behalf of the more than 200 million Americans covered by a managed care pharmacy benefit.

Biologic products are already playing an important role in today's health care system, both in terms of scientific improvements in the treatment of disease and in increased drug costs. The high costs of many of these products threaten patient access to important therapies and place a strain on payers trying to manage prescription drug spending. Since the introduction of biosimilars in 2006, the European Union has experienced an average price reduction of 30 percent for products with competition from biosimilars, and it is reasonable to expect a similar impact in the United States. Interchangeable products are also expected to be less costly than the reference product.

House Bill 289 is consistent with the intent of the *Biologics Price Competition and Innovation Act of 2009* which created a pathway for the licensure of biological products as biosimilar or interchangeable by the Food and Drug Administration (FDA). The FDA definition of interchangeable [42.U.S.C.Section 262(i)(3)] states that the biological product may be substituted for the reference

product without the intervention of the health care provider who prescribed the reference product. The provisions in House Bill 289 recognize that the pharmacist may substitute an interchangeable unless otherwise specified by the prescriber. The provisions in the legislation are also consistent with the FDA definition of interchangeable.

We appreciate the opportunity to share our views on House Bill 289. We urge you to support passage of House Bill 289 as introduced. If you have any questions, you may contact AMCP's Vice President of Government Affairs, Lauren Fuller, at (703) 683-8416 or lfuller@amcp.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Edith A. Rosato", is enclosed within a thin black rectangular border.

Edith A. Rosato, R.Ph., IOM
Chief Executive Officer

cc: Members of the House Committee on Health Care