



February 10, 2016

Memo: Senate Finance Committee

From: Jill Sudhoff-Guerin, Vermont Government Relations Director

Re: S.216, Out-of-Pocket Prescription Drug Transparency

The American Cancer Society Cancer Action Network supports [S.216](#), because we believe it would make it easier for Vermont patients to choose the most affordable health plan.

When the committee is considering the bill, we would urge you to strike **Sec. 3 COST INFORMATION TO PRESCRIBERS**, on page 7 lines 1-16. While in theory this information could be helpful, it is not clear how the requirement would be implemented. Furthermore, this section requires that costs "typically paid" by consumers with commercial insurance be disclosed in the electronic prescribing system. Unfortunately, the amount "typically paid" may not be reflective of the amount many consumers will actually pay under their specific health plan. Each health plan has an individual cost sharing structure for the prescription drug benefit, thus, patient costs may vary a great deal, depending on each different plan. Also, Vermont prescribers often receive payment from hundreds of health plans, so there is no way to accurately reflect this information in any electronic prescribing system.

Again, our organization supports the broader goal of the bill, which is to provide greater drug coverage and dollar cost transparency to enrollees and potential enrollees based on the specific plan they may choose or have chosen. This is meant to be achieved by the carriers offering additional information in their plan formularies and plan documents as is outlined in Section 1.

Currently, many cancer drugs are subject to a 'coinsurance' or percentage of the negotiated rate of a drug under a certain health plan. All a patient knows is that their drug will cost them X% of that rate, but they have no idea what that translates to in terms of a dollar amount. This legislation would require that a patient's coinsurance percentage be translated into a dollar amount or a dollar range so that the patient could choose a health plan that covers their drug at a cost they can afford, instead of choosing a plan without this information and finding out at the pharmacy counter or after getting a doctor's bill, that they cannot afford that coinsurance percentage.

We appreciate your consideration.

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