

March 16, 2015

The Honorable Claire Ayer Chair Senate Committee on Health & Welfare Vermont Senate Room 17 Vermont State House 115 State Street Montpelier, VT 05633

RE: Senate Bill 59

Dear Senator Ayer:

The Academy of Managed Care Pharmacy (AMCP) supports the use of abuse deterrent opioid analysesic drug products; however, we are opposed to Senate Bill 59 because it mandates coverage for these drug products and requires that they be listed as preferred drugs on the formulary.

AMCP is a national professional association of pharmacists and other health care practitioners 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.

Opioid analgesics have proven to be very effective in controlling short and long-term pain due to a large number of causes. These drugs are also the most commonly abused medications in the United States, reaching epidemic levels. AMCP is deeply concerned both about the proper management of patients suffering from uncontrolled pain, as well as limiting abuse and diversion of opioids because the improper use of opioids carries enormous costs to our society that go beyond traditional health care costs. Managed care pharmacists have a responsibility to work with patients and other health care professionals to ensure the appropriate use of opioids and to ensure that prescriptions are dispensed and utilized for legitimate medical needs.

Managed care organizations must carefully balance the unique and varied needs of patients who are taking these medications against the probability of abuse and diversion. Therefore, AMCP supports the ability of health plans and pharmacy benefit managers (PBMs) to use managed care tools to effectively manage the use of opioids in a clinically appropriate manner. Promising advancements in technology have resulted in the further development of "tamper resistant" or "abuse deterrent" formulations of certain opioids. This has served as another strategy in combating abuse and diversion.

These formulations are designed to make it more difficult for abusers to crush, chew, snort or inject the products, which has previously been common practice by abusers. It is important to note that while there is no such thing as a *tamper-proof* product, there is a limited, but increasing, field of research suggesting the potential these products have in reducing the overall rates of abuse and diversion. There is also empirical data indicating these products have a "reduced street value" due to the difficulty of converting them into an abusable product. Since these products may vary in their clinical effectiveness and ability to limit abuse potential, AMCP supports expanding the ability of managed care organizations to manage these products.

AMCP supports a well-designed, evidence-based formulary to assist in effectively managing a patient's total medical care regimen. A formulary enhances quality of care by encouraging the use of those prescription medications that are demonstrated to be the safest, most effective, and produce positive patient outcomes.

A drug formulary may be used in many ways for the administration of a prescription benefit. Formularies may be used to recommend the most appropriate drug choice and assist in the determination of member cost share or drug coverage. The way a formulary will be utilized is based on many factors including patient population and benefit design.

A formulary works best when it supports and operates in conjunction with other tools that promote quality and optimal results such as drug utilization review and medical treatment guidelines. In addition, the value of a formulary is maximized when it is part of an integrated patient care process which encourages physicians, pharmacists, and other caregivers to work together to ensure positive and cost-effective results.

In addition to requiring coverage of these products, Senate Bill 59 would replace a health benefit plan's ability to use an evidence based formulary and thereby determine the appropriate placement of these products. AMCP is opposed to government mandating coverage and placement of drugs on formularies. Managed care pharmacists must retain the flexibility to use managed care tools to effectively determine the use of these products.

We respectfully urge you to vote against passage of this legislation. We appreciate the opportunity to share our views on Senate Bill 59. If you have any additional questions, you may contact AMCP's Vice President of Government Affairs, Lauren Fuller, at (703) 683-8416 or <a href="mailto:lfuller@amcp.org">lfuller@amcp.org</a>.

Sincerely,

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

cc: Members of the Senate Committee on Health & Welfare