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Coalition of State Rheumatology Organizations

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January 17, 2024

Vermont State House
House Committee on Health Care
115 State Street Montpelier, VT 05633-5301

Submitted via email to CNeal@leg.state.vt.us

Re: Support for H. 766

Chair Houghton and Members of the House Committee on Health Care:

The Coalition of State Rheumatology Organizations (CSRO) is a national organization composed of over 30 state and regional professional rheumatology societies. CSRO was formed by physicians to ensure excellence and access to the highest quality care for patients with rheumatologic, autoimmune, and musculoskeletal diseases.

As you consider H. 766, CSRO would like to convey its support for reforming the use of accumulator adjustment programs and improving the guardrails used for step therapy protocols. Both of these issues are vital to our patients and practices seeking to provide timely, safe, and effective care.

The CSRO recognizes that there can be a role for utilization management, but when utilization controls have become so stringent that they interfere with patients receiving therapies in their best interest, the balance is decidedly uneven.

Accumulator Adjustment Programs
Patients utilizing specialty drugs have likely already tried and failed all the available lower cost alternatives, but the drug they need is still out of reach. This is because their co-insurances can be greater than $1000 a month. Consequently, many would go without treatment if it weren't for patient assistance though co-pay cards. Many patients requiring these co-pay cards for their specialty medicines often have chronic diseases with multiple comorbidities and medications. As a result, they cannot afford high premiums and are forced into policies with high deductibles that can be thousands of dollars.

Until recently, co-pay assistance counted towards a patient's deductible, and the health plan would collect the value of the deductible regardless of who paid. However, several years ago, insurers and pharmacy benefit managers began using alternative cost-sharing structures known as "accumulator adjustment programs." These programs prevent the value of co-pay assistance from being applied towards a patient's deductible as an out-of-pocket expense.

Under these programs, insurers will pocket the value of the co-pay card in addition to demanding the full deductible value from the patient. This is despite the fact that patients utilizing these drugs already pay co-insurance based on the list price of the drug rather than the discounted price the PBM or health plan receives.

As stated earlier, due to the move towards high deductible health plans, and the inherent costliness of the drugs used to treat complex chronic conditions, most patients will not be able to afford their medication once the co-pay card benefit is exhausted and they are then forced to start paying off their deductible. This is despite the fact that the plan had already received the deductible amount or more from the co-pay card.

This will result in otherwise stable patients discontinuing their treatments, allowing for irreversible disease progression, flares, loss of effectiveness of their original therapy, and other adverse effects. Managing these results from non-adherence requires the use of substantially more resources than allowing for continuity of care from the beginning.

Stabilizing a patient's inflammatory condition, such as rheumatoid arthritis and lupus, is a process that can take months or even years of trial and error, based on disease complexity, the patient's unique medical history, and the clinical characteristics of the drugs being used. Rheumatologists do not prescribe expensive medications idly. Expensive medications are prescribed because they are medically necessary.

The use of accumulator programs by health plans and PBMs has been instituted without regard to the fact that most patients have no other choice than to use an expensive medicine for chronic diseases that impact every part of their lives. Indeed, it is patients with chronic diseases requiring lifelong treatments, often already experiencing disparity in health care, that are affected most by this unfair and discriminatory practice.

According to research done by IQVIA, co-pay card use for branded drugs that have lost exclusivity or have generic equivalents, "… represents a sliver of the total commercial market, making up only 0.4% of volume across all products." And only 3.4% of the total commercial volume has prescriptions that use copay cards.[1]

Step Therapy Protocols

Rheumatologists treat patients with extremely complex chronic conditions such as rheumatoid arthritis (RA). Complex chronic conditions such as RA are temperamental and present unpredictably on a case-by-case basis. This necessitates a high degree of individualized care and attentive management. Stabilizing these conditions is a process that can take months or even years of trial and error. The resulting course of treatment must carefully balance each patient's unique medical history, disease environment, and drug interactions.

Step-therapy protocols are a one-size fits all approach that hampers treatment decisions arrived at through the course of the doctor-patient relationship.

[1] AN EVALUATION OF CO-PAY CARD UTILIZATION IN BRANDS AFTER GENERIC COMPETITOR LAUNCH, IQVIA, https://www.iqvia.com/-/media/iqvia/pdfs/us/us-location-site/market-access/fact-sheet-evaluation-of-copaycard-utilization-post-loe.pdf?&_=1620140157792

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Existing appeals pathways have failed to rectify these problems.

Step-therapy protocols may provide reasonable guidelines for broad populations, but patients with complex chronic conditions require a different approach. There must be a role for the doctor-patient relationship, and there must be clear and transparent scenarios.

The stakes for these patients are high. Variations between drugs, even those in the same therapeutic class, can cause serious adverse events. The resulting disease progression can be irreversible, life threatening, and result in increased utilization of healthcare resources.

H. 766 does not prohibit insurers from using step therapy but seeks to balance cost containment with patient needs by adding some commonsense exceptions criteria for requesting an override.

For these reasons, the CSRO urges Members of the House Committee on Health Care to fully support H. 766 and appreciate your consideration of our comments.

Respectfully,

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