



January 17, 2024

Representative Lori Houghton, Chair House Committee on Health Care Vermont State House 115 State Street Montpelier, VT 05633

Dear Chair Houghton and Members of the House Committee on Health Care,

The Northern New England Clinical Oncology Society (NNECOS) and the Association for Clinical Oncology (ASCO) are pleased to support H. 766, which establishes guardrails around prior authorization and step therapy processes in the state and protects vulnerable patients from copay accumulator programs.

NNECOS is a professional organization whose mission is to promote the highest quality care for patients with cancer and blood disorders in Maine, New Hampshire, and Vermont. NNECOS members are a community of hematologists, oncologists, and other healthcare professionals who specialize in cancer care. ASCO is a national organization representing physicians who care for people with cancer. With nearly 50,000 members, our core mission is to ensure that cancer patients have meaningful access to high quality, equitable cancer care.

Prior authorization requires patients or their providers to secure pre-approval as a condition of payment or insurance coverage of services. In a recent ASCO survey, 80% of respondents said that a patient has experienced significant impacts on their health, such as disease progress, because of prior authorization processes. The most common harms to patients include delays in treatment (95%) and diagnostic imaging (94%), patients being forced onto second-choice therapy (93%) or denied therapy (87%) and increased out-of-pocket costs (88%). These survey responses confirm that prior authorization results in unnecessary delays or denials of cancer care.

NNECOS and ASCO are committed to supporting policies that reduce cost while preserving quality of cancer care; however, it is critical that such policies be developed and implemented in a way that does not undermine patient access. Payer utilization management approaches like prior authorization are of particular concern because they represent greater likelihood of raising barriers to appropriate care for individuals with cancer.

NNECOS and ASCO are pleased that H. 766:

- Ensures timely access to care by requiring insurers to respond to a prior authorization request within two business days for nonurgent circumstances and within 24 hours if the request is urgent;
- **Promotes continuity of care** by stipulating that prior authorization for a healthcare service must remain valid for a year; and

• **Reduces administrative burden** by prohibiting prior authorization for any generic medication or for any service, treatment, or procedure that have low variation across health care providers and denial rates of less than 10% across carries.

This bill also addresses step therapy or fail first policies, which can be particularly problematic for patients with cancer because they can significantly delay a patient's access to the best treatment available for their condition. While waiting to complete a "step," a patient with cancer may experience disease progression and irreversible damage to their overall health.

NNECOS and ASCO are pleased that H. 766 would place guardrails around step therapy by requiring carriers to grant an exception to a step therapy protocol if:

- The drug required to be used is contraindicated or will cause an adverse reaction;
- The drug required to be used is expected to be ineffective based on the known clinical characteristics of the patient and the known characteristics of the prescription drug regimen;
- The patient has already tried a prescription drug that was discontinued by the prescriber due to lack of efficacy or an adverse event;
- The required drug is not in the best interest of the patient; or
- The patient is stable on a prescription drug selected by their clinician.

Finally, NNECOS and ASCO support language in H. 766 that requires insurers to count copay assistance toward a patient's annual cost-sharing requirements. When assistance does not count towards patients' cost-sharing, they can be left with large out-of-pocket costs and may choose to forego treatment altogether. The result of foregoing treatment is poorer health outcomes and a greater cost to the health system.

NNECOS and ASCO are encouraged by the steps H. 766 takes toward improving prior authorization and step therapy processes and helping patients afford their prescriptions, and we welcome the opportunity to be a resource for you. For a more detailed understanding of our policy recommendations on this issue, we invite you to read the <u>ASCO Position Statement: Prior Authorization</u>, the <u>ASCO Position</u> <u>Statement: Utilization Management</u>, and the <u>ASCO Policy Brief: Copay Accumulators and Copay</u> <u>Maximizers</u>. Please contact Sarah Lanford at ASCO at <u>Sarah.Lanford@asco.org</u> if you have any questions or if we can be of assistance.

Sincerely,

Carl Nelson, MD President Northern New England Clinical Oncology Society

 \sim 1 ± 1 1 = 1

Everett Vokes, MD, FASCO Chair of the Board Association for Clinical Oncology