



NATIONAL
PSORIASIS
FOUNDATION®

Our Mission: To drive efforts to cure psoriatic disease and improve the lives of those affected.

March 5, 2020

Delegate Shane E. Pendergrass
Chairwoman Health and Government Operations Committee
House Office Building
Room 241
Annapolis, Maryland 21401

Re: Support for HB 1360 Out-of-Pocket Maximums and Cost-Sharing Requirements - Calculation

Dear Chairwoman Pendergrass and members of the Health and Government Operations Committee,

The National Psoriasis Foundation (NPF) is a non-profit organization with a mission to drive efforts to cure psoriatic disease and improve the lives of those affected. The NPF is the leading patient advocacy group for more than 8.3 million Americans and the more than 152,000 Maryland residents living with psoriasis and psoriatic arthritis. I write to you today to express the NPF's support of HB 1360, relating to out-of-pocket maximum and cost sharing requirement calculations, and respectfully request you vote HB 1360 out of committee.

Non-treatment and under treatment of psoriatic disease remains a significant problem as health benefit plan's cost sharing leave many treatments unaffordable. A 2019 study of data collected from NPF surveys found that about 1 in 5 patients with psoriatic disease who take a biologic medication report spending more than \$100 per month toward cost-sharing obligations. When facing high out-of-pocket costs, patients do not use their medications appropriately; skipping doses in order to save money or abandoning treatment altogether. According to several studies, prescription abandonment rates increase significantly when cost-sharing exceeds \$100.¹

In an effort to maintain their health and quality of life, many patients seek financial assistance programs. A 2019 NPF study showed 64% of patients with psoriatic disease who take a biologic medication and have commercial insurance utilized copay assistance programs. A common misconception is that these programs unnecessarily push patients towards high-cost drugs. However, these programs often pay for treatments that do not have a therapeutically equivalent product. A recent IQVIA study on medications with coupon programs show about 0.4% of commercial transactions are patients using coupons for brand products with an available generic on the market.²

HB 1360 is a consumer protections bill that has little to no fiscal impact on state regulated plans, but a tremendous impact and benefit for patients. With the passage of HB 1360, an insurer or pharmacy benefit manager must calculate contributions paid by the insured or on behalf of the insured towards the out-of-pocket maximum – helping ease the financial burden many patients living with psoriatic

¹ Gleason PP, Starner CI, Gunderson BW, Schafer JA, Sarran HS. Association of prescription abandonment with cost share for high-cost specialty pharmacy medications. *Journal of Managed Care Pharmacy*. October 2009.

Streeter, S.B., Schwartzberg, L., Husain, N., Johnsrud, M. (2011). Patient and Plan Characteristics Affecting Abandonment of Oral Oncolytic Prescriptions. *J Oncol Pract*. 2011 May; 7(3 Suppl): 46s-51s

² <https://www.iqvia.com/locations/united-states/library/fact-sheets/evaluation-of-co-pay-card-utilization>

disease face. Furthermore, there is a great need for these protections in Maryland, as demonstrated by the Maryland Office of the Attorney General's Health Education and Advocacy Unit, which noted receiving numerous complaints from consumers who need brand name treatments for AIDS, HIV and other chronic conditions that are unaffordable without copay assistance.

The NPF appreciates the Committee's consideration of this important matter, and respectfully requests your support of HB 1360. Should you have any questions regarding this issue please contact me at pstone@psoriasis.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Stone", enclosed in a thin black rectangular border.

Patrick Stone
Vice President, Government Relations and Advocacy
National Psoriasis Foundation