



A Network Of
Independently Owned
Pharmacies

Testimony offered on behalf of:

EPIC PHARMACIES, INC.

IN SUPPORT OF:

SB 290 – Health Insurance – Out-of-Pocket Maximums and Cost-Sharing Requirements - Calculation

Hearing 2/10 at 1:00PM

EPIC Pharmacies Supports SB 290 – Health Insurance – Out-of-Pocket Maximums and Cost-Sharing Requirements - Calculation

Since 2018, many plan sponsors have adopted “copay accumulator” programs where a manufacturer’s copay assistance payments do not count towards a patient’s deductible or out-of-pocket maximum obligations. Also, since 2018, the patient’s cost share has increased dramatically, especially with expensive Specialty Medication.

The negative consequences of allowing this trend to continue:

1. Patient become angry and confused: For years, manufacturer copay programs have helped patients deal with employers’ and health plans’ massive cost-shifting for specialty drugs. The abrupt patient out of pocket cost increase will be confusing,
2. Drug Spending will drop – for the wrong reasons: Massive cost shifting to patients will cause a decrease in utilization of expensive Specialty drugs. This is usually considered a bad thing because, though Specialty Prescription spending drops, medical spend will increase.
3. **Patient adherence will plummet**: The MD Health Exchange shows out-of-pocket maximums averaging about \$8,000.00 per year. Cost sharing is used to incentivize more cost effective choices by the patient. Patients on expensive chemotherapeutics and other Specialty meds really can’t make more cost effective choices. Rather, when they can’t afford treatment, they will simply stop filling expensive specialty prescriptions. I see this 1st hand, and it is heart breaking. Eventually, the patient can deteriorate, and fall into public assistance plans like MADAP and Medicaid.

What is the consequence of copay accumulator programs to the plan sponsor? A 66% decrease in medication expenses by the plan sponsor. Often the plan will not pay the full cost of medication expenses until the last 2 months of the year.

As such, EPIC Pharmacies recommends a favorable report on SB 290.

Thank you,

Steve Wiener, Pharmacist

Steve Wiener, Rph

EPIC PharmPAC Treasurer

Mt. Vernon Pharmacy and Mt. Vernon Pharmacy at Fallsway