

March 29, 2018

The Honorable Laura Fine, Chair
Insurance: Health & Life Committee
425 S. College Street,
Springfield, IL 62704

RE: House Bill 4146 – Patient rights in transitions of care

Dear Representative Fine:

The Academy of Managed Care Pharmacy (AMCP) writes in strong opposition to House Bill 4146. House bill 4146 “prohibits a health care plan from modifying an enrollee’s drug coverage in a plan year by (A) increasing out-of-pocket costs for a covered drug; (B) moving a prescription to a more restrictive tier; or (C) removing a prescription drug from a formulary.” Imposing government mandated restrictions on formularies not only impacts patient safety but will increase the overall cost of health care coverage for all patients.

AMCP is the nation’s leading professional association dedicated to increasing patient access to affordable medicines, improving health outcomes and ensuring the wise use of health care dollars. Through evidence- and value-based strategies and practices, the Academy’s 8,000 pharmacists, physicians, nurses and other practitioners, including members in Illinois, manage medication therapies for the 270 million Americans served by health plans, pharmacy benefit management firms, emerging care models and government.

By allowing formulary flexibility, health care plans can moderate overall health care costs for their specific patient population. If an equally efficacious drug enters the market at a lower cost than an existing therapy, a health plan can save costs for a patient population by moving the higher cost drug to another drug tier. In fact, the bill includes language that acknowledges that drugs may be added to a health care plan’s list of covered drugs (formulary) during the coverage year and does not prohibit that addition.

A health care plan formulary is developed by a pharmacy and therapeutics committee (P&T committee), made up of health care professionals – including prescribers and pharmacists and meets on a regular basis. When developing the formulary, the Committee considers the safety, effectiveness and affordability of the drugs using peer-reviewed literature, clinical trial information and related sources to better inform decision making on therapeutic classes and formulary updates that will ensure best practices. Formularies evolve as health care plan professionals review, interpret, and evaluate information on prescription drugs in patient populations to improve the prescribing patterns, administration, and use of drugs.

When a drug first enters the market after FDA approval, some possible side effects or problems might not be known for all potential patient populations. A health care plan may review data from initial use by patients in a real-world environment and determine that a particular drug compromises patient safety in a patient population and wish to remove it or place it on a more restrictive tier.

House Bill 4146 is problematic for the following reasons:

- It would override the P&T Committee process which is based on a robust review by health care professionals of clinical information and designed to ensure that safe, effective and affordable drugs are made available to patients.
- It would mandate continued coverage for a drug even in cases when newer products may have entered the market that are potentially less costly, but equally safe and effective, therapeutic and generic equivalents.
- All health care plans include a mechanism for exceptions to be granted in cases where prescribers can provide documentation that supports the need for the patient to remain on a particular drug.
- The formulary is a part of the contract between the health care plan and the organization paying for the benefit. The formulary information is available to the patient and to the prescriber. This bill would void contract terms agreed upon by the organization paying for the benefit and the health care plan.

When a better product or one that costs less (including generics) enters the market during the plan year and plans make changes to the formulary to include that product, then the health care plan should be able to encourage its use. At a time when the overall health care system is struggling with ways to address the rising cost of drugs, House Bill 4146 would move Illinois in the opposite direction. This bill would increase health care costs for your constituents.

Therefore, AMCP urges you to vote no on House Bill 4146. If you have any questions, you may contact AMCP's Director of Legislative Affairs, Regina Benjamin, at (703) 684-2620 or rbenjamin@amcp.org.

Sincerely,



Susan A. Cantrell, RPh, CAE
Chief Executive Officer

cc: Insurance: Health & Life Committee Members