



September 1, 2020

The Honorable Hank Vaupel
House Health Policy Committee, Chair
Michigan House of Representatives
P.O. Box 30014
Lansing, MI 48909-7514

Re: **Health Care Transparency Package
[Non-Medical Switching HB 5939 (H-1), Accumulators HB 5944 (H-1)]**

Dear Chairman Vaupel,

Thank you for the opportunity to participate in the discussion on the high cost of healthcare, including the cost of prescription medication. Specifically, we thank you for the opportunity to provide comments on House Bills 5939 and 5944. **The Michigan Medication Stability Coalition is currently opposed to both House Bills 5939 (H-1) and 5944 (H-1), as written.**

The Michigan Medication Stability Coalition is comprised of multiple different patient community groups and advocates for patients' right to achieve stable health using physician-directed prescription drugs. Members of the coalition are invested in cost transparency but are focused on the practice of non-medical switching and the use of accumulators.

We appreciate and support the work the Chair has done to pursue the laudable goal of a more transparent health care system. As patients face ever-increasing cost-sharing and challenges around access to care, attention to these issues among policymakers is critical.

While the concepts underlying transparency in healthcare and prescription medication costs are ones we support, the details merit further discussion. We are committed to working with the Chair and his team in the next few months to craft legislation that supports our shared goals in maintaining the patient and prescriber relationship.

House Bill 5939 [Non-Medical Switching]

The practice of non-medical switching threatens the stability of a patient and impacts the patient/prescriber relationship that is developed over an extensive period. As introduced, House Bill 5939 includes a number of exceptions and allows enough subjective interpretation that it could perversely reinforce the practice of non-medical switching rather than curb its use and the impact it has on the patient community.

Patients typically enroll in health plans based on what is available on their formularies and the knowledge that they can't switch plans mid-year. Therefore, we support prohibiting mid-year changes of any kind to formularies. That would include changing tiers, removing medications, or because the U.S. Food and Drug Administration might approve a generic equivalent or biosimilar alternative. Simply because a drug receives approval doesn't mean it is the right drug for the individual patient who is stable on his/her existing medication.

MI MEDICATION Stability Coalition

Finally, we are focused on protecting the patient/prescriber relationship and would ask that any determinations related to clinical advantage be determined by the patients' healthcare prescriber.

We hope this legislation will end the harmful practice of non-medical switching rather than provide exemptions for it to continue.

House Bill 5944 (H-1) [Accumulators]

We appreciate some of the changes that have been made to the bill, as introduced; however, the bill continues to provide enough latitude to exclude manufacturer copay assistance from counting towards patients' annual limitation on cost-sharing. Specifically, with respect to the reference to "unauthorized payer," it was never the intent of this coalition that the manufacturer copay assistance would apply in federally and state-administered programs where it is unlawful, such as Medicaid and Medicare, and indeed, this language is not part of any other state laws addressing accumulator programs. We can share specific language to address concerns about ensuring payments are lawful, which includes striking the definition of "unauthorized payor" as it is ambiguous and unnecessary.

The use of copayment assistance plays a critical role in affordability for many patients and our collective efforts to address the negative impact of chronic diseases in Michigan. We propose that these payments be applied "when calculating the insured's overall contribution to any out-of-pocket maximum or any cost-sharing agreement." Simply, manufacturer copay assistance is intended for patients and should be applied on behalf of the patient.

Finally, we ask that you remove the bill's tie-bar from House Bills 5937 and 5938, the manufacturer transparency and pharmacy benefit manager bills. Considering these bills en bloc only serves to thrust the patient in the middle of policy debates between pharmaceutical companies and insurance companies.

We look forward to continued discussion and the opportunity to work on legislation that ensures cost transparency and proper patient protections that maintain medication stability and the patient/prescriber relationship.

Sincerely,

