

SCR 93

**DISCOURAGING THE PRACTICE OF CREATING AND
USING SPECIALTY TIERS FOR PRESCRIPTION DRUGS IN
HEALTH PLANS**



Together, we can beat neuropathy April 12, 2011

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The Honorable Josh Green, M.D.
Hawaii State Capitol - Room 222
415 South Beretania Street
Honolulu, HI 96813

RE: SCR 93 – STRONGLY SUPPORT

Dear Senator Green,

The Neuropathy Association, which is dedicated to ensuring neuropathy patients have access to the care, treatments and cures that will improve their health and quality of life, supports SCR 93. Thank you for introducing SCR 93, which helps ensure that every Hawaii resident has access to reasonable prescription drug benefits and resolves that the practice of creating and using specialty tiers for prescription drugs in health plans is discouraged and should be avoided and eliminated wherever possible.

SCR 93 is very important for the thousands of Hawaiians who suffer from neuropathy. High cost specialty drugs are generally classified in Tier 4, the highest and most expensive tier. As a result of the 4 tier drug formulary, patients with serious diseases such as certain neuropathies, MS, epilepsy and others that require specialty medications are being asked to pay hundreds and even thousands of dollars for prescriptions to treat their diseases. Insurers are abandoning the traditional arrangement that has patients paying a fixed amount, like \$10, \$20 or \$30 co-pay for a prescription, and instead are charging patients a percentage of the cost of certain high-priced drugs, usually 20 to 33 percent for Tier 4. These costs can amount to thousands of dollars a month and limit access to vital, life-saving medications.

Senator Green, insurance is a means by which health risk is spread across a pool of payers. Yet, when a serious illness like chronic inflammatory demyelinating polyneuropathy (CIDP, an autoimmune neuropathy) strikes, subscribers often are singled out for much higher co-pays and other out-of-pocket costs. This practice is appalling and negates the very reason they had been paying for insurance in the first place — to be protected from financial hardship should they become ill.

Should you have any questions please contact me at 212-692-0662.

Regards,

Tina M. Tockarshewsky
President and CEO

cc: Senate Health and Commerce and Consumer Protection Committees

Save the Date: Neuropathy Summit for Patients and Physicians, December 3-5, 2010, Washington, D.C.



POWER OF PAIN FOUNDATION



~ Motivation For A Cure ~

April 8, 2011

The Honorable Josh Green, M.D.
Hawaii State Capitol - Room 222
415 South Beretania Street
Honolulu, HI 96813

RE: SCR 93 – STRONGLY SUPPORT

Dear Senator Green,

The Power of Pain Foundation (POPF), which is dedicated to provide community based support services that address the immediate need of chronic pain patients with Neuropathy conditions, supports SCR 93. Thank you for introducing SCR 93, which helps ensure that every Hawaii resident has access to reasonable prescription drug benefits and resolves that the practice of creating and using specialty tiers for prescription drugs in health plans is discouraged and should be avoided and eliminated wherever possible.

SCR 93 is very important for the thousands of Hawaiians who suffer from neuropathy. Actually, the POPF receives calls from Hawaiians asking for assistance after their health plan suddenly switched their treatment to a higher tier or specialty tier and that they can no longer afford therapies that were giving them relief and a better quality of life.

High cost specialty drugs are generally classified in Tier 4, the highest and most expensive tier. As a result of the 4 tier drug formulary, patients with serious diseases such as certain neuropathies, MS, epilepsy and others that require specialty medications are being asked to pay hundreds and even thousands of dollars for prescriptions to treat their diseases. Insurers are abandoning the traditional arrangement that has patients paying a fixed amount, like \$10, \$20 or \$30 co-pay for a prescription, and instead are charging patients a percentage of the cost of certain high-priced drugs, usually 20 to 33 percent for Tier 4. These costs can amount to thousands of dollars a month and limit access to vital, life-saving medications.

We had a recent case of this with an MS patient who had been self-administering medication at home, saving money and time by not having to go directly to the doctor's office for medication administration. After the change to her policy, she was no longer able to maintain this treatment from home due to the increase in cost. Her health plan is now paying more by forcing her to resort to weekly doctor visits so that her MS does not worsen.

Senator Green, insurance is a means by which health risk is spread across a pool of payers. Yet when a serious neuropathic illness like Reflex Sympathetic Dystrophy strikes, subscribers often are singled out for much higher co-pays and other out-of-pocket costs. This practice is shocking and makes the very reason they had been paying for insurance in the first place ineffective — to be protected from financial hardship should they become ill.

Should you have any questions please contact me at 804-657-(PAIN) 7246.

Sincerely,

Barby Ingle, Director

Power of Pain Foundation

Author: RSD in Me! and ReMission Possible

A 501(C) (3) Non Profit Charity

www.powerofpain.org

480-882-1342

213 Nottingham Drive, Colonial Heights, VA 23834, 804-657-PAIN(7246)

38556 N. Dave Street, Queen Creek, AZ 85240, 480-882-1342

A 501 (c) (3) not for profit organization – 65-1298571

www.powerofpain.org



April 8, 2011

The Honorable Josh Green, M.D.
Hawaii State Capitol - Room 222
415 South Beretania Street
Honolulu, HI 96813

RE: SCR 93 – STRONGLY SUPPORT

Dear Senator Green,

The Neuropathy Action Foundation (NAF), which is dedicated to ensuring neuropathy patients obtain the necessary resources and tools to access individualized treatment to improve their quality of life, supports SCR 93. Thank you for introducing SCR 93, which helps ensure that every Hawaii resident has access to reasonable prescription drug benefits and resolves that the practice of creating and using specialty tiers for prescription drugs in health plans is discouraged and should be avoided and eliminated wherever possible.

SCR 93 is very important for the thousands of Hawaiians who suffer from neuropathy. In fact, the NAF receives calls from Hawaiians informing us that their health plan suddenly switched their treatment to a higher tier or specialty tier and that they can no longer afford their life and limb saving therapies.

High cost specialty drugs are generally classified in Tier 4, the highest and most expensive tier. As a result of the 4 tier drug formulary, patients with serious diseases such as certain neuropathies, MS, epilepsy and others that require specialty medications are being asked to pay hundreds and even thousands of dollars for prescriptions to treat their diseases. Insurers are abandoning the traditional arrangement that has patients paying a fixed amount, like \$10, \$20 or \$30 co-pay for a prescription, and instead are charging patients a percentage of the cost of certain high-priced drugs, usually 20 to 33 percent for Tier 4. These costs can amount to thousands of dollars a month and limit access to vital, life-saving medications.

Senator Green, insurance is a means by which health risk is spread across a pool of payers. Yet when a serious illness like Multi-Focal Motor Neuropathy strikes, subscribers often are singled out for much higher co-pays and other out-of-pocket costs. This practice is appalling and negates the very reason they had been paying for insurance in the first place — to be protected from financial hardship should they become ill.

Should you have any questions please contact me at 877-512-7262.

Regards,

A handwritten signature in black ink, appearing to read "James D. Lee".

James D. Lee
Public Affairs Chair

cc: Senate Health and Commerce and Consumer Protection Committees



April 8, 2011

The Honorable Josh Green, M.D.
Hawaii State Capitol - Room 222
415 South Beretania Street
Honolulu, HI 96813

RE: SCR 93 – STRONGLY SUPPORT

Dear Senator Green,

The Myositis Association (TMA), representing patients who suffer from this crippling incurable neuromuscular disease, supports SCR 93. This bill will help ensure that every Hawaii resident has access to reasonable prescription drug benefits and seeks to discourage and eliminate wherever possible the practice of creating specialty tiers for prescription drugs in health plans.

SCR 93 is important protection for the thousands of Hawaiians who suffer from myositis. TMA has received numerous calls from patients informing us that their health plan suddenly switched their treatment to a specialty tier causing them severe financial hardship and denial of desperately needed life-saving therapies.

High cost specialty drugs are generally classified in Tier 4, the highest and most expensive tier. As a result of the 4 tier drug formulary, patients with serious diseases such as myositis, neuropathies, multiple sclerosis, epilepsy and others that require specialty medications are being forced to pay thousands of dollars for prescriptions to treat their diseases. Insurers are abandoning the traditional arrangement that has patients paying a fixed amount, like \$10, \$20 or \$30 co-pay for a prescription, and instead are charging patients a percentage of the cost of certain high-priced drugs, usually 20 to 33 percent for Tier 4. These costs can severely limit access to vital, life-saving medications, except for the wealthy that might afford them.

Insurance is intended to spread health risk across a pool of payers to make it fair and equitable to patients and payers. The practice of using specialty tiers and forcing patients to pay out of pocket for very expensive treatments negates the very reason they had been paying for insurance in the first place — to be protected from financial hardship should they become ill.

Thank you for your support of SCR 93 and should you have any questions please contact me at 703-299-4851.

Sincerely,

Bob Goldberg
Executive Director

cc: Senate Health and Commerce and Consumer Protection Committees



The Honorable Josh Green, M.D.
Hawaii State Capitol
Honolulu, HI 96813

Dear Senator Green,

The Alliance for BioTherapeutics, a national patient driven non-profit organization established to improve the quality of life for patients who rely on biotherapeutics and their families by working with all stakeholders strongly supports SCR 93, which encourages health plans to avoid and eliminate specialty tiers.

The Alliance believes that specialty tiers (co-insurance) is the number one threat for our patients in Hawaii. The Alliance strongly supports state and federal legislation to ban specialty tiers/coinsurance plans. Specialty Tiers create financial barriers for patients. This leads to otherwise healthy patients foregoing necessary medical treatments that can lead to avoidable medical complications, disability and death. Eliminating specialty tiers will enhance the patient/healthcare provider relationship by ensuring access to proven, life-saving therapies and patients living a productive life.

As public and private insurers have moved away from patients paying reasonable copayments to requiring coinsurance, thousands of patients are unable to fill medically necessary prescriptions due to high cost. Coinsurance requires patients to pay a percentage of the cost of medications over \$500. That percentage can add up to thousands or tens of thousands of dollars every year. Failure to continue medically prescribed treatments can trigger a lapse in care and decrease overall patient health.

The prescription drugs listed on specialty tier policies most often affect rare, genetic and/or chronic diseases. There are no options available for patients to switch to generic drugs since all prescription medications on specialty tier lists are biologics and have no generic alternatives.

The short-term savings realized by not taking prescribed medication is frequently offset by increases in physician and emergency room visits. Additionally, there are often other long-term health consequences for patients, the healthcare system, and states as many people are forced onto disability and Medicaid.

Should you have any questions, please contact Michelle Vogel, Executive Director, 202-266-2600.

Regards,

Michelle Vogel
Executive Director

green2 - Kealaonalehua

From: mailinglist@capitol.hawaii.gov
Sent: Friday, April 08, 2011 12:57 PM
To: HTHTestimony
Cc: david-espinoza@nc-hs.com
Subject: Testimony for SCR93 on 4/13/2011 9:00:00 AM

Testimony for HTH/CPN 4/13/2011 9:00:00 AM SCR93

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: David Espinoza
Organization: National Cornerstone Healthcare Services
Address:
Phone:
E-mail: david-espinoza@nc-hs.com
Submitted on: 4/8/2011

Comments:
April 8, 2011

The Honorable Josh Green, M.D.
Hawaii State Capitol - Room 222
Honolulu, HI 96813
Re: SCR 93 - STRONGLY SUPPORT

Dear Senator Green,
Community Healthcare Services (CHS) a subsidiary of NCHS holdings, Inc. is a healthcare service company dedicated to ensuring chronically ill patients obtain the necessary resources and tools to improve their quality of life, strongly supports SCR 93. Thank you for introducing SCR 93, which stresses that health plans' creation and use of specialty tiers is discouraged and that the practice of specialty tiers should be avoided and eliminated wherever possible.

SCR 93 is very important for the thousands of Hawaiians who suffer from life-long illness such as hemophilia. Hawaiian residents are informing us that their health plan suddenly switched their treatment to a higher tier or specialty tier and that they can no longer afford their life and limb saving therapies.

High cost specialty drugs are generally classified in Tier 4, the highest and most expensive tier. As a result of the 4 tier drug formulary, patients with serious diseases such as certain neuropathies, MS, rheumatoid arthritis, cancer, hemophilia, primary immune deficiencies and others that require specialty medications are being asked to pay hundreds and even thousands of dollars for prescriptions to treat their diseases. Insurers are abandoning the traditional arrangement that has patients paying a fixed amount, like \$10, \$20 or \$30 co-pay for a prescription, and instead are charging patients a percentage of the cost of certain high-priced drugs, usually 20 to 33 percent for Tier 4. These costs can amount to thousands of dollars a month and limit access to vital, life-saving medications.

Senator Green, insurance is a means by which health risk is spread across a pool of payers. Yet when a complication occurs such as an inhibitor to medication used in hemophilia therapy, subscribers often are singled out for much higher co-pays and other out-of-pocket costs. This practice is appalling and negates the very reason they had been paying for insurance in the first place - to be protected from financial hardship should they become ill.

Should you have any questions please contact me at 877-616-6247.

Regards,

David Espinosa
President/CEO

green2 - Kealaonalehua

From: mailinglist@capitol.hawaii.gov
Sent: Friday, April 08, 2011 12:37 PM
To: HTHTestimony
Cc: goldberg@myositis.org
Subject: Testimony for SCR93 on 4/13/2011 9:00:00 AM
Attachments: SCR 93 Testimony.pdf

Testimony for HTH/CPN 4/13/2011 9:00:00 AM SCR93

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: Bob Goldber@myositis.org
Organization: The Myositis Association
Address:
Phone:
E-mail: goldberg@myositis.org
Submitted on: 4/8/2011

Comments:

April 11th, 2011

To: Senator Josh Green, Chair, Committee on Health
Senator Rosalyn Baker, Chair, Committee on Commerce & Consumer Protection
Senator Clarence Nishihara, Vice Chair, Committee on Health
Senator Brian Taniguchi, Vice Chair, Committee & Commerce and Consumer Protection
Members, Senate Committees on Health & Commerce and Consumer Protection

Re: Strong Support for SCR 60, Urging State to Adopt Policies to Reduce the Harm Caused by the Sale and Display of Tobacco
Committees on Health & Commerce and Consumer Protection Hearing
April 13th, 2011 at 9am; Room 229

Senators:

My name is Kelsie Gasmen from Kauai and the Kauai High School Peer Ed.

I'm in support of SCR 60 because tobacco is life threatening yet we still have not stopped the ads that draw younger people's attention. Research shows that most people start smoking before they are even 18 years old. The younger they start, the earlier they die. The tobacco industry has to then find more customers which they do through advertising.

Please find a way to stop tobacco ads that draw the attention of young people by supporting SCR 60.

Thank you,

Kelsie Gasmen
Kauai High School Peer Ed

green2 - Kealaonalehua

From: mailinglist@capitol.hawaii.gov
Sent: Friday, April 08, 2011 1:07 PM
To: HTHTestimony
Cc: wailua@aya.yale.edu
Subject: Testimony for SCR93 on 4/13/2011 9:00:00 AM

Testimony for HTH/CPN 4/13/2011 9:00:00 AM SCR93

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: Wailua
Organization: Individual
Address:
Phone:
E-mail: wailua@aya.yale.edu
Submitted on: 4/8/2011

Comments:

Wailua Brandman APRN-Rx BC
Immediate Past President Hawai`i Association of Professional Nurses

Clinical Director, Ke`ena Mauiola Nele Paia LLC

green2 - Kealaonalehua

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 11, 2011 3:47 PM
To: HTHTestimony
Cc: vscarpelli@afsp.org
Subject: Testimony for SCR93 on 4/13/2011 9:00:00 AM

Testimony for HTH/CPN 4/13/2011 9:00:00 AM SCR93

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: Veronica Scarpelli
Organization: American Foundation for Suicide Prevention
Address:
Phone:
E-mail: vscarpelli@afsp.org
Submitted on: 4/11/2011

Comments:

The importance of making sure that patients have access to their medications for their chronic conditions, so to avoid worsening of condition and subsequently, development of depression and risk of suicide.



April 12, 2011

TO: Senator Josh Green, MD, Chair
Senator Clarence K Nishihara, Vice Chair
Committee on Health

Senator Rosalyn H Baker, Chair
Senator Brian Taniguchi, Vice Chair
Committee on Commerce & Consumer Protection

FROM: Lyn Moku, Office Manager
National Multiple Sclerosis Society, Hawaii Division

HEARING: Wednesday, April 13, 2011 at 9:00 a.m. Conference Room 229

SUBJECT: TESTIMONY IN SUPPORT OF SCR 93 DISCOURAGING THE PRACTICE OF
CREATING AND USING SPECIALTY TIERS FOR PRESCRIPTION DRUGS IN
HEALTH PLANS

The National Multiple Sclerosis Society supports SCR 93 discouraging the practice of creating and using specialty tiers for prescription drugs in health plans. Such a practice creates a barrier to access of medically necessary medication to improve the quality of life of people with MS and will raise overall health care costs.

Multiple sclerosis (MS) is an often disabling, autoimmune disease affecting the central nervous system. Although there is no cure for MS, appropriate medication can slow the disease progression, reduce the frequency and intensity of flare-ups, and allow people with MS to live active and productive lives and rely less on our health care system.

Prescription drugs represent the highest out-of-pocket health care expense to patients. Many insured individuals under a doctor's care do not fill or re-fill their prescriptions, and risk worsening their health when their out-of-pocket costs become unaffordable. Drugs to help manage multiple sclerosis can exceed more than \$800 per month out of pocket. Most people with MS are prescribed one of the "disease modifying therapies," but also take four to six other medications to ease symptoms and help maintain a near-normal life. Early and ongoing treatment can slow the progression of this incurable disease, and it can reduce the frequency and intensity of flare-ups.

A growing number of health plans are moving vital medications onto specialty tiers which impose the highest cost-sharing burden for health plan members. These tiering practices effectively price those treatments out of reach for many who are least able to afford them, and it adversely affects patients with chronic and life-threatening conditions such as MS.

Please support SCR 93. The practice of creating and using specialty tiers for prescription drugs in health plans must be discouraged and should be avoided and eliminated wherever possible. Thank you for the opportunity to testify on this important issue.

Hawaii Division - 418 Kuwili Street, #105 - Honolulu, Hawaii 96817- Phone: 808-532-0806 – Fax: 808-532-0814
Email: lyn.moku@nmss.org - nationalMSSociety.org