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February 16, 2017

To: Senate Committee on Health Care
Re: Support for SB 526

Dear Chairwoman Monnes Anderson and Members of the Committee,

The Leukemia & Lymphoma Society (LLS) appreciates this opportunity to express support for SB 526, sponsored by Senators Jeff Kruse and Lew Frederick. This bill seeks to establish patient protections guiding the use of step therapy, a coverage restriction that insurers use to control spending on certain prescription medications.

Under step therapy, an insurer requires a patient to exhaust other, often cheaper, drug options before coverage is granted for the medication initially prescribed by the patient's health care provider. This is a commonly used cost-management technique; as of 2010, almost 60% of commercial insurers were utilizing step therapy¹ and, in oncology specifically, it's starting to be used with greater frequency. In a 2012 analysis, approximately 54% of plans reported using step therapy to manage oncology products, up from only 36% the previous year.² This trend is expected to continue and is reflected in other drug classes too.

While step therapy can be an effective tool in some instances, it can have significant negative consequences for a patient if the duration and effectiveness of the required step protocols are not managed carefully. The drug sequences required under step therapy are not based on a patient's specific medical profile or a physician's assessment of that patient's best treatment option. Rather, sequences are typically based on cost and on expectations about potential treatment responses within a generalized patient population. Further, patients may be required to try the same drug(s) repeatedly over any length of time, as oftentimes the law places no constraints on how or when insurers may use step therapy.

Under these conditions, step therapy can lead to delays in access to the medication offering the greatest potential medical benefit. Other patients may find themselves with no alternate therapy for an extended period of time. According to a recent study, 67% of patients whose specialty drugs were rejected under step therapy did not receive an alternate drug within a 30-day window.³ In these cases, patients may experience disease progression, a serious risk for patients dealing with life-threatening conditions such as cancer.

Step therapy's safety and effectiveness could be dramatically improved by passage of this legislation, which would establish two simple patient protections. The first is a requirement that the clinical review criteria used by a health plan or insurer to establish a step therapy protocol be based on clinical practice guidelines as outlined in the legislation. Secondly, the bill requires that there be a clear and expedient process that prescribers may use to request an override to a step therapy protocol. Override would be granted *only* in certain situations, all clearly delineated in the bill. This ensures that the proposed override process is not only transparent but that it's utilized appropriately.

Timely access to prescribed medications is essential to effective treatment, especially in oncology where patients require complex, personalized treatment regimens. Thus for blood cancer patients and their providers and insurers, this legislation offers a common-sense, balanced approach: insurers will be able to continue using step therapy to achieve important cost-savings, providers will be offered the flexibility they need to ensure that

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treatment decisions are clinically driven, and patient well-being will be protected from unnecessary risks or delayed care. Again, LLS urges your support for the important patient protections outlined in this bill, as timely access to care is essential to effective treatment. This is especially true in oncology, where patients require complex, personalized treatment regimens.

Thank you for your time and consideration.

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The Leukemia & Lymphoma Society® (LLS) is the world's largest voluntary health agency dedicated to blood cancer. The LLS mission: Cure leukemia, lymphoma, multiple myeloma, and improve the quality of life of patients and their families. LLS funds lifesaving blood cancer research around the world, provides free information and support services, and is the voice for all blood cancer patients seeking access to quality, affordable, coordinated care.

Founded in 1949 and headquartered in Rye Brook, NY, LLS has chapters throughout the United States and Canada. To learn more, visit www.LLS.org. Patients should contact the Information Resource Center at (800) 955-4572, Monday through Friday, 9 a.m. to 9 p.m. ET.

¹ Motheral, Brenda. *Journal of Managed Care Pharmacy*. Vol. 17, No. 2. March 2011.

² Report from Health Strategies Group, published by *Managed Care Oncology* during the 4th quarter of 2012.

³ Belazi, Dea. *The American Journal of Managed Care*. Vol. 19, Special Issue 4. May/June 2013.