

March 19, 2024

The Honorable Susan Donovan  
House Health & Human Services Committee

Via email: [HouseHealthandHumanServices@rilegislature.gov](mailto:HouseHealthandHumanServices@rilegislature.gov)

**RE: H 7822: An Act Relating To Insurance -- Benefit Determination And Utilization Review Act (Limits The Use By Insurers Of Step Therapy, A Protocol That Establishes A Specific Sequence In Which Prescription Drugs For A Specified Medical Condition Are Covered By An Insurer, By Allowing Medical Providers To Request Step Therapy Exceptions.): Oppose**

Dear Chair Donovan and Members of the House Health and Human Services Committee:

Thank you for the opportunity to comment on H 7822. I represent Prime Therapeutics (Prime), a pharmacy benefit manager (PBM) owned by 19 not-for-profit Blue Cross and Blue Shield Insurers, subsidiaries, or affiliates of those Insurers, including Blue Cross & Blue Shield of Rhode Island. H 7822 seeks to statutorily codify an expansive and rigid step therapy exception process. Step therapy exception processes already exist in the state of Rhode Island through provider contracts or agreements. For this reason, Prime opposes H 7822.

Prime helps people get the medicine they need to feel better and live well by managing pharmacy benefits for health plans, employers, and government programs including Medicare and Medicaid. Our company manages pharmacy claims for more than 30 million people nationally and offers clinical services for people with complex medical conditions. Our business model relies on transparency and advocating for simpler, lowest-net-cost pricing for drugs. Importantly, Prime is not focused on driving profit margins. To control costs, Prime's clients rely on our clinical expertise and drug management tools, such as step therapy.

**Step therapy programs promote use of safe and cost effective drugs.**

Step therapy programs are clinically-based, cost-effective programs used by insurers to encourage use of existing, highly effective, and safe medications before “stepping up” to high-cost drugs.

*Step therapy programs:*

- Encourage more appropriate use of medicines which may be prone to abuse, misuse.
- Encourage use of cost-effective but safe and effective drugs.
- Hold down out of pocket drug costs for Rhode Island citizens, plan sponsors (i.e. employers), and insurance plans.
- Sep therapy may be used to reduce the risk of overmedication, prescription drug abuse, and addiction.

**Exception processes are already in place in Rhode Island.**

According to the National Academies of Sciences, Engineering, and Medicines, “Every plan, whether Part D or an employer-sponsored pharmacy benefit, has an exception process that permits coverage of a drug not on formulary or reduces out-of-pocket cost if a prescriber provides information about side effects the patient has experienced from a lower-tiered drug or offers another medical reason for switching.”<sup>1</sup> This process safeguards against the use of utilization management tools, such as step therapy, being too restrictive.

Prime Therapeutic's has an established exceptions process to provide coverage of off-formulary medications if a prescriber indicates that the patient has experienced side-effects with a prescription drug that may be on a lower (e.g. first) tier.

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<sup>1</sup> Making Medicines Affordable: A National Imperative,” National Academies of Sciences, Engineering, and Medicine (NASEM), Nov. 2017.

**Step therapy is already regulated by the state of Rhode Island.**

Prescription drug step therapy programs are already regulated by the state of Rhode Island via its oversight and review of all utilization management insurance programs; and federal rules from the U.S. Department of Health and Human Services presently require strict standards specific to the structure and documentation requirements for Pharmacy and Therapeutics committees (P&T) which include at least an annual review of step therapy protocols as a utilization management process.

H 7822 seeks to place an already well-regulated utilization management program into an overly-rigid state statutory framework that will make it more difficult to quickly respond to changes in the prescription drug marketplace.

I welcome the opportunity to further discuss these concerns and work towards evidence-based solutions to help people get the medicine they need to feel better and live well. Thank you for your time and consideration.

Respectfully,



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