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TESTIMONY REGARDING GOVERNOR'S PROPOSED CUTBACKS TO CONNPACE

2/18/09

Susan M. Nesci, M.S., M.A, Chief Public Health & Policy Officer

Honorable Co-Chairs and Members of the Appropriations Committee:

I am submitting testimony today on behalf of the 679,000 adults with doctor-diagnosed arthritis that we serve in the state. This testimony is in opposition to the proposed cutbacks and changes to ConnPACE proposed in the Governor's budget and Bill 843.

Arthritis, like other chronic diseases, disproportionately affects the poorest in our state, including half those age 65 and older. Access to medications is critical to keeping seniors and others affected by arthritis pain-free and independent. Calls to our office have tripled this year with people with arthritis seeking financial assistance to pay for their medications—financial assistance our agency doesn't have the resources to provide because of the large number of people affected and the high cost of medications.

I would like to present our testimony by telling you how the Governor's proposal will affect just one of our constituents-Mary A. Agli of Meriden, Connecticut. Mary is a 90 year old widow, living independently. She worked all her life, but her only income is appropriately $12,400 from Social Security. The only asset she has is her house. Mary receives the federal low-income subsidy for Part D and she is on ConnPACE.

Up until last month, she was on generic prescription drugs for diabetes, gout and osteoarthritis, which totaled $130.70 for 2008. Mary has had breast cancer. Her 67 year old daughter died last October from breast cancer. In January, her oncologist recommended a new medication to prevent re-occurrence. That medication, Semara, is $500 a month for 30 pills.

Limited Enrollment Period

If Mary had not already been on ConnPACE, she would have had to wait 10 months under the Governor's proposal for a six-week enrollment period from November 15-December 30. This one medication would take nearly half her income—an impossibility. If Mary needed help with her ConnPACE application, and she has in the past with her re-applications, she would have to turn to the South Central Area Agency on Aging for technical assistance. However, during that same time period, all our Area Agencies on Aging are swamped helping seniors switch Part D plans. A limited enrollment period of six weeks will leave many seniors, who develop serious chronic diseases, complications, are widowed, or have other changes to their income during the year, out in the cold. Most will go without the medications they need as they pay for food, heating oil and other essentials on a limited income. The limited projected savings from this measure are not worth the cost.

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Asset Test

The Governor's bill proposes to use the current income limits as well as the same liquid asset test used to qualify for the federal low-income subsidy under Part D. Currently, you have to supply information on your liquid assets on your ConnPACE application. The state uses this information only to determine if you are eligible for the federal low-income subsidy. Under the Governor's proposal, the state will count your income **and** apply the federal liquid asset test to determine eligibility for ConnPACE. While this won't affect Mary because she already qualifies for the low-income subsidy, it will result in many people losing ConnPACE coverage. The savings from this provision come from the large number of seniors dropping out of ConnPACE. This is what happened the last time the state tried to impose an asset test. This is one of two provisions that have large projected savings for the state.

Eliminate the wrap-around for non-formulary drugs under Medicare Part D

Under the Governor's proposal, if a drug is not included on your Part D plan's preferred drug list or forumulary, then the drug would not be covered under ConnPACE. Most Part D plans, especially the lower cost benchmark plans the state is proposing to use, have very restricted lists of drugs that are covered. Mary's very expensive anti-cancer drug is not covered under her Part D plan. Presently, the state covers non-formulary drugs, at least initially, and then appeals to the Part D plan for payment. This provision is called a wraparound. It protects a lot of seniors, especially when their medications or their Part D plan changes. Since DSS now assigns recipients by lottery to Part D plans, this means that seniors do not necessarily get plans that cover their current medications. Under the Governor's proposal, the individual, not the state, would have to go through the complex exceptions and appeals process to get access to medications not on their plan's list of approved drugs. Few nonprofit agencies have the resources to help clients, like Mary, with exceptions and appeals. This is the second provision that has large projected savings for the state.

Require prior authorization for high cost drugs

If you take an expensive prescription drug, such as Mary's anti-cancer drug, your doctor will be required to submit paperwork for prior authorization. This applies even to drugs currently already on the state's preferred drug list. The Commissioner of the Department of Social Services would have to define what is an expensive prescription drug. The last time the state proposed a similar restriction, it was on drugs costing more than $500. This would mean, for instance, that if you take a biologic for certain types of inflammatory arthritis (such as rheumatoid or psoriatic arthritis), your doctor would have to get prior approval before you could get access to this medication. Busy doctors don't always take the time to request prior authorization because of many differences between insurance plans.

Tighten early refill requirements

Under the Governor's proposal, you would have to wait until 85% of your prescription is used up before you could get a refill. Presently you have to use at least 75% of your prescription before ConnPACE will cover a refill without your doctor requesting a prior authorization. This means if your prescription calls for one pill a day for 30 days, you could not refill it until after the 25th of the month. Many seniors or those on disability have limited transportation to get to a pharmacy for a refill or the doctor may change the amount taken mid-month. Mary, for instance, no longer drives and would have to wait once a week when her retired son takes her out or get a ride from a niece.

How do I know so much about Mary? The answer is she is my beloved mother-in-law and I help her with health care decisions. On behalf of Mary and the many other low-income seniors, who depend on ConnPACE for necessary medications, we request that the Appropriations Committee not look to make up the state budget shortfall by reducing essential medication assistance.