



Quality is Our Bottom Line

Connecticut Association of Health Plans

**Testimony Submitted in Opposition to
HB 5445 AAC Prescription Drug Coverage.**

**Insurance Committee Public Hearing
Tuesday, February 8th, 2011**

The Connecticut Association of Health Plans respectfully urges the Committee's rejection of HB 5445.

Pharmacy is one the single largest drivers of health insurance cost in Connecticut. On average, prices increase between 15% to 20% a year.

The reasons for such increases are varied. The number of overall prescriptions issued has increased dramatically in recent years as new products come on line faster as a result of quicker FDA approval and, as always, consumer demand continues to escalate. In addition, the rapidly aging baby boomer population adds appreciable demand that shows no sign of abating.

Understandably, employers who generally pay the bulk of health insurance premiums are looking to health plans to provide some means of cost control that will allow them to continue providing a pharmacy benefit - *which is not required by state law*.

The bill before you would require that insurers provide coverage for a ninety day supply of drugs if prescribed by a provider. While it appears harmless on its face, please consider that many drugs are extremely expensive. It's not uncommon to see claims for drugs that cost \$5,000 for a one-month supply. Think about the implications of a 90 day supply in the context of these dollars. What if the member can't tolerate the drug and now has a 90 day supply that they can't use? That's a waste of valuable resources. What if a member fills a prescription shortly before their coverage eligibility is terminated? In that case, a member would be receiving services for which a health plan is no longer receiving premium. Both examples illustrate the costs associated with passage of this bill and we hope they will give you some pause in your consideration of the proposal. We urge your rejection of HB5445.

Many thanks.