



Insurance and Real Estate Committee
Room 2800, Legislative Office Building
Hartford, CT 06106

Dear Co-Chairman Joseph Crisco and Co-Chairman Robert Megna:

As President and Founder of the US Pain Foundation, I'd like to ask you to support the passage of *H.B. No. 5486 (RAISED) AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR PRESCRIPTION DRUGS AND BREAST THERMOGRAPHY.. The US Pain Foundation advocates for the millions of people living with chronic pain throughout the United States, which also includes many thousands in CT. I am proud to say last year CT was one of the first states to pass legislation prohibiting Step Therapy which put patients first. I am here again this year to ask your support of this bill to put patient needs first again. We have two issues of concern: escalating out-of-pockets costs and restricted access to medications. Although it might seem at first that the two concerns are mutually exclusive, in the case of people with various pain disorders, and especially in the case of those taking biologics, they are remarkably complimentary.

Many health insurance plans are implementing new cost sharing mechanisms in their drug plans, including establishing specialty tiers in their drug formularies. In states where the practice of specialty tiering is allowed, researchers find that the out-of-pocket costs for medications are high enough to prohibit people from complying with the treatment prescribed by their doctors. Annual treatment costs for drugs on the specialty tier can range from \$17,000 to \$40,000. Some medications can cost more than \$100,000 per year. From a patient perspective the difference between paying a co-payment and paying the coinsurance rate for a medication could be hundreds of dollars a month. For example, common medications to chronic pain may cost \$3,000 or more a month. Currently a person with health insurance might pay a \$55 co-payment for this medication. But, if their drug plan had specialty tiering and charged a 25% to 33% in coinsurance, the same medication would cost between \$750 and \$990 a month.

As a cost sharing strategy, specialty tiers are problematic for a number of reasons. First, they violate the basic principal of insurance whereby individuals and employers purchase health insurance plans so that they are protected from the risk of needing to pay for highly expensive medical treatments. Second, specialty tier coinsurance rates can change unpredictably. This makes it impossible for patients to anticipate and budget for health care costs. It also impedes them from having informed discussions with their doctors about containing the cost of their treatment. Third, where the practice of specialty tiering is allowed, researchers find that the out-of-pocket costs for medications are high enough to prohibit people from complying with the treatment protocols prescribed by their doctors. They may also force people to choose between paying for basic living expenses or taking their medications. For all the reasons stated above, specialty tiers are bad for both health outcomes and healthcare costs in general. Again, I ask that you work with us to prohibit specialty tiers and support *H.B. No. 5486 (RAISED) AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR PRESCRIPTION DRUGS AND BREAST THERMOGRAPHY.

Respectfully Submitted

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