Re: H.B. No. 7148 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNION ENDING JUNE THIRTIETH, 2021, AND MAKING APPROPRIATIONS THEREFOR.

Dear Senator Osten, Representative Walker:

My name is Tim Smith and I am writing to you today regarding H.B. No. 7148 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNION ENDING JUNE THIRTIETH, 2021, AND MAKING APPROPRIATIONS THEREFOR, specifically regarding the Department of Social Services and proposed savings under the Medicaid Program through expanding Step Therapy to drugs used to treat atopic dermatitis as detailed in associated Budget Summary on page B-57.

On behalf of the National Eczema Association (NEA), I would like to thank you for accepting our testimony on H.B. No. 7148. NEA is a non-profit organization with a mission to improve the health and quality of life of the 31.6 million US children and adults with eczema through research, support, and education. We understand why, at first blush, the application of step therapy protocols to medications for the treatment of atopic dermatitis (AD) may seem like a reasonable idea and, in fact, do not oppose the application of step therapy protocols to AD medications when certain conditions are met. However, we urge the members of the committee to approach this idea cautiously, contrast the application of step therapy protocols in the Medical Assistance Program with its application in Connecticut’s commercial insurance markets, and consider its potential impact on patients’ health before making a decision regarding this proposal.

Eczema is the most common dermatological disease in the US, with 1 in 10 Americans developing eczema in their lifetime. AD is the most prevalent and chronic form of eczema, and is characterized by recurring red, skin lesions that are accompanied by itch, pain and sleep loss. AD often co-occurs with other atopic conditions, like asthma and hay fever. Newer evidence also indicates that AD is more than a skin disease, as those with moderate to severe AD are at increased risk for obesity, cardiovascular, autoimmune, and mental health conditions (such as anxiety and depression); resulting in numerous deleterious impacts on quality of life.
Eczema also imposes a significant cost on the US health care system. A recent report by the American Academy of Dermatology entitled The Burden of Skin Disease estimates that the direct and indirect (opportunity) health care costs of eczematous conditions on the US health system exceeded $3 billion in 2013. In addition, research demonstrates that AD negatively impacts work productivity, with higher rates of absenteeism and presenteeism resulting in additional costs to the US economy. In short, the potential costs of treating AD incorrectly or not at all are potentially astronomical.

NEA recognizes the legitimacy of step therapy as a medical management practice, but only supports its application when two conditions are met. First, there must be strict statutory requirements in place to assure that step therapy protocols reflect accepted medical practices and standards, as established in the recommended treatment guidelines of nationally recognized medical authorities. Second, the step therapy protocols must exempt patients when:

- A patient has tried and failed on a required step drug in the past;
- A prescribing physician determines that a step drug is counter indicated or likely to cause an adverse reaction based on a patient’s medical history;
- A prescribing physician determines that a step drug is likely to be ineffective based on the patient’s medical history; or
- A patient is stable on the prescribed medication.

Inasmuch as we can discern, the state’s application of step therapy protocols in the Medical Assistance Program is not consistent with this standard, nor is it consistent with the standard established for commercial insurers in the Genera Statutes (Section 1, Section 38a-510 and Sec. 2, Section 38a-544).

Currently, the Connecticut Medical Assistance Program applies step therapy protocols to Proton Pump Inhibitors, Statins, Anti-migraine medications, Topical Acan Agents, and Cytokine & CAM Antagonists. It grants patients exceptions to step therapy protocols for these treatments when:

- The use of the preferred alternative is contraindicated,
- The patient has experienced significant adverse effects from the preferred alternative, and completed and filed FDA 3500 MedWatch form,
- The use of the preferred alternative has resulted in therapeutic failure after the normal course of treatment, or
- The patient is a pediatric patient (younger than 12 years of age).

The General Statutes, by contrast, provide that, “an override request shall be expeditiously granted when an insured’s treating health care provider demonstrates that the drug regimen required under step therapy (A) has been ineffective in the past for treatment of the insured’s medical condition, (B) is expected to be ineffective based on the known relevant physical or mental characteristics of the insured and the known characteristics of the drug regimen, (C) will cause or will likely cause an adverse reaction by or physical harm to the insured, or (D) is not in the best interest of the insured, based on medical necessity.”

The major difference between these standards are that the general statutes provide exceptions for treatments that are “expected to be ineffective” based on the prescribing physician’s judgement, whereas the Medical Assistance Program’s step therapy protocol does not. This exception should also be allowed for patients who are enrolled in the state’s Medical Assistance Program because there are numerous reasons that an AD drug would likely be ineffective for some patients. For example, some AD medications are only rated to treat patients with specific severity profiles. These medications would likely be ineffective or significantly less-effective at treating patients with severity profiles outside of what they are intended to treat. Making an AD patient step through a drug that is not rated for the severity of his or her disease would be a waste of the patient’s time and the state’s money. It could also put the patients’ health at risk by delaying their access to the appropriate care.
Of greater concern, the General Statutes appear to be silent on the question of how step therapy protocols should be developed. Many states require insurers and their Medicaid programs to conform step therapy protocols to the accepted standards of medical practice for a disease. NEA favors requirements for AD medications that conform to guidelines developed by the American Academy of Dermatology for the treatment of AD.

NEA encourages the members of the Appropriations Committee to gather more information about how the step therapy protocols for AD treatments will be developed and whether patients will be exempted from step medications that are likely to be ineffective before approving this condition of the Department of Social Service’s appropriation. We further encourage the members of this committee to reject the proposal if it does not meet these conditions.

We thank the committee members for considering NEA’s thoughts and opinions about this bill, in particular, and step therapy, in general, in its deliberations. I invite the committee to reach out to me with any questions or concerns about NEA’s testimony.

Respectfully,

Tim Smith, MPP
Vice President, Advocacy & Access