Approved: March 07, 2016

#### MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairperson Mary Pilcher-Cook at 1:30 pm on Wednesday, January 27, 2016, 118-N of the Capitol.

All members were present

# Committee staff present:

Randi Walters, Kansas Legislative Committee Assistant Scott Abbott, Office of Revisor of Statutes Iraida Orr, Legislative Research Department Whitney Howard, Legislative Research Department Kyle Hamilton, Office of Revisor of Statutes

# Conferees appearing before the Committee:

Senator Jim Denning

Aaron Dunkel, Deputy Secretary, Kansas Department of Health and Environment (KDHE) Eric A. Voth, MD, FACP, Vice-President and Chief of Primary Care Services and Psychiatry, Stormont-Vail Health

Rick Cagan, Executive Director, National Alliance on Mental Illness (NAMI) Kansas Kari Rinker, MPA, Senior Advocacy Manager, Kansas, Missouri and Nebraska, National Multiple Sclerosis (MS) Society

Representative Sue Boldra

Gayle M. Taylor-Ford, LSCSW, LCAC, Board of Directors, International Pain Foundation (iPain); Executive Director, Therapy Services LLC

Susan Tusher presenting for Donna Sweet, MD, AAHIVS, MACP, Professor of Medicine and Director of Ryan White HIV Clinic

Amy A. Campbell, Kansas Mental Health Coalition (KMHC)

Susan Crain Lewis, President/CEO, Mental Health America of the Heartland

### Others in attendance:

See Attached List

## **Possible bill introductions**

Senator O'Donnell introduced a bill regarding diabetes. Without objection, the bill was introduced.

Chairperson Pilcher-Cook introduced a bill regarding welfare reform. Without objection, the bill was introduced.

Senator O'Donnell introduced a bill regarding flu shots. Without objection, the bill was introduced.

## <u>Hearing on: SB341 — Allowing step therapy for medicaid patients.</u>

#### CONTINUATION SHEET

MINUTES of the Committee on Public Health and Welfare at 1:30 pm on Wednesday, January 27, 2016 in Room 118-N of the Capitol.

Chairperson Pilcher-Cook opened the hearing on <u>SB341.</u> Scott Abbott, staff revisor, presented a briefing on the bill. After questions by the Committee were addressed, the hearing continued.

Senator Denning testified in support of <u>SB341</u>. Senator Denning stated that this bill isn't designed to do anything different with the behavioral health and psychotropic drugs. Senator Denning briefly described step therapy and highlighted the Key Operational Points. (<u>Attachment 1</u>)

Aaron Dunkel, KDHE, testified in support of <u>SB341</u>. Mr. Dunkel stated that the bill removes the prohibition of step therapy in the Medicaid program. He indicated that step therapy has been applied in commercial insurance for a number of years, and step therapy is utilized in Medicare. Mr. Dunkel presented an overview of step therapy and provided highlights of <u>SB341</u>. (Attachment 2)

Dr. Eric Voth, Stormont-Vail Health, testified in opposition to <u>SB341</u>. Dr. Voth stated that Stormont-Vail joins the Committee in its concern about the cost of health care and medications, but they are beset by an absolute tidal wave of prior authorizations and step therapy requirements. Dr. Voth indicated that the net effect of prior authorizations is having insurance companies playing doctor, and medical decisions and judgment taken away from practitioners. Dr. Voth presented some recommendations if the legislature chooses to proceed with the removal of the prohibition on step therapy. (Attachment 3)

Rick Cagan, NAMI, testified in opposition to <u>SB341</u>. Mr. Cagan stated that they've had a longstanding position exempting psychiatric medications from prior authorization or restricted formularies. He indicated that these medications must be prescribed to individuals based on the clinical judgment of the treatment providers not based on some economic factors and the desire to reduce costs. Mr. Cagan asked the Committee to review the citations contained in his testimony. Mr. Cagan also urged the Committee to be careful about the unintended consequences of the bill. (Attachment 4)

Kari Rinker, National MS Society, testified in opposition to <u>SB341</u>. Ms. Rinker stated that <u>SB341</u> eliminates the existing patient protection in KanCare which is why the National MS Society opposes this legislation. Ms. Rinker stated that access to drugs and finding the right drugs for each individual is integral to successful treatment of MS. Ms. Rinker indicated that included in her testimony is a list of possible protections should the State of Kansas choose to enact new step therapy protocols within KanCare. (Attachment 5)

Representative Boldra testified in opposition to <u>SB341</u>. Representative Boldra shared that her daughter is a victim of MS. Representative Boldra gave a brief history of her daughter's experience with her insurance company when a generic drug became available. She also shared a similar situation that her niece experienced. Representative Boldra concluded by urging the Committee to consider the true ramifications and the human toll of <u>SB341</u> stating that it must be passed with vigorous patient protections. (Attachment 6)

Gayle Taylor-Ford, iPain, testified in opposition to **SB341**. She shared her husband's diagnosis with

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MINUTES of the Committee on Public Health and Welfare at 1:30 pm on Wednesday, January 27, 2016 in Room 118-N of the Capitol.

diabetes and the issues he's had with the prior authorization process with their commercial insurance. (Attachment 7)

Susan Tusher, representing Donna Sweet, testified in opposition to **SB341** by reading the written testimony of Donna Sweet. (Attachment 8)

Amy Campbell, KMHC, testified in opposition to **SB341**. She stated that the Coalition is particularly concerned about the implementation of step therapy provisions as they would relate to anti-psychotic medications or medications for people with mental illness. Ms. Campbell indicated that in their reading of the statute when the prohibition on step therapy is removed, an umbrella of protection is taken away regarding mental health medications and the Mental Health Medication Advisory Committee. Ms. Campbell suggested an amendment that is included in her written testimony that would protect mental health medications. (Attachment 9)

Susan Lewis, Mental Health America of the Heartland, testified in opposition to **SB341**. Ms. Lewis stated that **SB341** has the very real potential, unless immediately amended, to result in the implementation of fail-first step therapy barriers to persons with mental illness receiving the medications that are essential to their mental health and to their functioning in the community. Ms. Lewis urged the Committee to reconsider **SB341**'s harmful removal of the provision which protects persons with mental illness, and other chronic diseases, from the inefficient and costly mechanisms of step therapy and fail-first policies. (Attachment 10)

Written testimony in support of **SB341** was submitted by:

William W. Sneed, Legislative Counsel, America's Health Insurance Plans (Attachment 11) Julie Elder, DO, CMO (Attachment 12)

Written testimony in opposition of **SB341** was submitted by:

Mark H. Cox, Executive Director, Midwest Hemophilia Association (Attachment 13)

Joseph E. Gadzia, MD (Attachment 14)

Patrick R. Hubbell, The Pharmaceutical Research and Manufacturers of America (PhRMA) (Attachment 15)

Darla Templeton, CEO, Epilepsy Foundation (Attachment 16)

Michele Guadalupe, MPH, Vice President of Advocacy and Public Policy, Arthritis Foundation Heartland Region (Attachment 17)

Joseph Sankoorikal, MD, Midwest Rehabilitation, PA (Attachment 18)

Amy Goldstein, Director of State Pain Policy Advocacy Network (SPPAN), American Academy of Pain Management (Attachment 19)

Betty McKenzie, RN, MSN, Clinical Supervisor of Cardiovascular Consultants (Attachment 20) Bob Williams, Executive Director, Kansas Association of Osteopathic Medicine (KAOM) (Attachment 21)

Rachelle Colombo, Director of Government Affairs, Kansas Medical Society (KMS) (Attachment 22)

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MINUTES of the Committee on Public Health and Welfare at 1:30 pm on Wednesday, January 27, 2016 in Room 118-N of the Capitol.

Kansas Rheumatology Alliance (Attachment 23) Black Health Care Coalition, Inc. (Attachment 24) Jeff Holzbeierlein, MD, FACS (Attachment 25)

Written neutral testimony for **SB341** was submitted by:

Kyle Kessler, Executive Director, Association of Community Mental Health Centers of Kansas, Inc. (Attachment 26)

Chairperson Pilcher-Cook closed the hearing on **SB341**.

The meeting was adjourned at 2:20 p.m.

The next meeting is scheduled for February 1, 2016.

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