Prime Therapeutics
Testimony on House Bill 2176
Feb. 17, 2015

Mr. Chairman, and members of the Committee, my name is David Root, I am Senior Director of Prime Therapeutics and responsible for Prime's legislative activity in Kansas. I would like to thank you for the opportunity to provide written comments speak to you regarding House Bill 2176 and urge you to NOT support the measure as it is before you today.

Prime Therapeutics, LLC ("Prime") is an independent pharmacy benefit manager owned by 13 not-for-profit Blue Cross and Blue Shield plans. Prime serves more than 30 million members across the United States including more than 370,000 residents of Kansas. Prime's purpose is to help patients get the medicine they need to feel better and live well. In order to fulfill that purpose, Prime strives to keep drug spending growth low so that drug benefits are more affordable. Together with our Blue Cross Blue Shield partners, we lead the industry in keeping drug spending growth in the low single digits. We attribute our success to innovative management of high-cost specialty drugs, encouraging greater use of lower-cost generic medications; negotiating improved discounts with drug manufacturers and retail pharmacies; and effective outreach to boost members' adherence to regimens of clinically proven, cost-effective medications.

The concept of Medication Synchronization is a novel approach, and may prove to have some merit in specific situations, but we do not believe the approach offered in HB 2176 is appropriate for our customers.

The language in HB 2176 cedes control over an aspect of the benefit design to the local pharmacist. It does this by allowing the pharmacist to simply override a "fill too soon requirement" set in place by the plan as a result of benefit design. This benefit design is a way to help manage the expense so that it is affordable and sustainable to our customers, Kansas employers and families.

The almost universal authority of the pharmacist to dictate what drugs are synchronized and when, can be inappropriate for some patients and may prove to be unaffordable. The questionable nature of this effort is easily seen when you look at lines 22-27 on page one. Here the plan is REQUIRED to pay the full dispensing fee for each prescription filled (partial or otherwise) to the pharmacy for each synchronization. A patient also may not understand that when their prescriptions are synchronized, their co-pays will also be synchronized and therefore become unaffordable.

Medication synchronization has a significant impact on other key aspects of the benefit designed cost control measures, such as pharmacy audits. Unless the plan or employer has thoroughly developed a medication synchronization strategy which includes which drugs can be synchronized and under what circumstances activities such as pharmacy audits become even more complicated, confusing and longer to address. Adding unnecessary cost to the plan and ultimately the consumer.

Currently, some health plans and or employers may elect to offer very specific synchronization programs designed around specific chronic medications as part of specific therapy regimens. Such offerings are voluntarily developed as a product of the overall plan design and as such are tightly controlled to maintain overall benefit costs. Legislation is not necessary for a plan to develop such an offering.

We would urge the committee to not support House Bill 2176. You may contact me at 1-804-834-2626 or droot@primetherapeutics.com.