

February 9, 2017

The Honorable Vicki Schmidt  
Chair, Committee on Public Health and Welfare  
Kansas State Senate  
300 SW 10th Avenue  
Topeka, KS 66612-1504

***Re: Comments in Opposition to Senate Bill 82 relating to Step Therapy Protocols***

Dear Senator Schmidt:

CVS Health, the largest pharmacy health care provider in the United States with integrated offerings across the entire spectrum of pharmacy care, **is opposed to S.B. 82** which would impede the appropriate clinical use of step therapy protocols by health plans in the state of Kansas.

CVS Health has 54 neighborhood CVS/pharmacy stores in Kansas staffed by over 1,100 employees. In 2016 alone, through its CVS/Caremark pharmacy services, the pharmacy benefit management (PBM), mail order and specialty pharmacy division of CVS Health, it processed 7.7 million claims and filled 3.7 million prescriptions in Kansas.

S.B. 82 proposes a number of limitations and process override requirements in the use of step therapy that would erode plan formulary and drug management tools and interfere with meaningful review of medical necessity that protects both the patient and the plan sponsor.

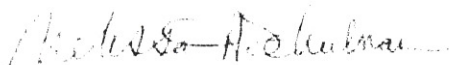
Step therapy is a successful and clinically evidence-based technique used by nearly all Medicare, Medicaid, self-insured companies, and health insurance plans nationally. It is used by plans to manage the utilization of drugs that are very high in cost. Pharmacy benefit programs frequently implement a variety of guidelines & programs that are designed to ensure that patients receive clinically appropriate and cost effective therapies. Sometimes, this can involve programs that promote a generic drug or lower-cost brand-name alternative drug before higher cost non-preferred drugs are covered. Without these programs in place, the cost of the benefit will increase with no corresponding increase in quality.

Step therapy programs rely on Pharmacy & Therapeutics Committees (P&T), staffed by independent doctors, pharmacists, and academics who specialize in specific fields of medicine to review and approve evidence-based guidelines that are used in drug management programs. These guidelines are based on the latest clinical literature, standards of practice, expert consultation, and outcomes data.

CVS Health is committed to helping people on their path to better health. Step therapy protocols are one of the tools used to encourage clinically appropriate treatment while ensuring judicious management of healthcare dollars. It is for these reasons that CVS Health **opposes S.B. 82.**

CVS Health appreciates the opportunity to submit comments on the proposed legislation.

Sincerely,



Melissa Schulman  
Senior Vice President, Government and Public Affairs  
CVS Health

Senate Public Health and Welfare

Date 2/13/17

Attachment 23