

# STATE OF KANSAS

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GOVERNOR JEFF COLYER, M.D.  
JEFF ANDERSEN, ACTING SECRETARY

## **Testimony on Senate Bill 304**

**Senate Public Health and Welfare Committee**  
**Greg Lakin, M.D.**  
**State Medical Officer**  
**Kansas Department of Health and Environment**

**February 15, 2018**

Senator Schmidt and members of the Committee, thank you for the opportunity to provide written, opponent testimony for SB 304.

Step therapy is needed to control the escalating costs of ever increasing prescription drugs. SB 304 grants exceptions to step therapy that will provide exceptions in nearly every situation. The cost to all state, school, and self-funded municipal plans will increase drastically. SB 304 would increase State Employee Health Plan expenditures by \$530,000 in FY 2019 and \$1,060,000 for future fiscal years. In regards to Medicaid and Children's Health Insurance (CHIP) programs, KDHE estimates additional pharmacy expenditures of \$2,257,500 in FY 2019 and \$4,515,000 in subsequent years. Additionally, SB 304 would require KDHE to create a Step Therapy Guidelines Committee to draft guidelines. The committee's suggestions would be subjected to the approval of the Medicaid Drug Utilization Review (DUR) Board. KDHE expenditures for the new Step Therapy Guidelines Committee and the DUR Board are \$19,000 in FY 2019 and \$38,000 in the following years.

Thank you for the opportunity to submit testimony on SB 304.