



October 26, 2016

The Honorable Patrick Browne, Chair
Senate Appropriations Committee
Senate Box 203016
Room: 281 Main Capitol
Harrisburg, PA 17120-3016

RE: House Bill 1698 – PN 3532 – Abuse Deterrent Opioid Analgesic Drug Products Coverage Act

Dear Senator Browne:

The Academy of Managed Care Pharmacy (AMCP) acknowledges that abuse deterrent opioid analgesic drug products are appropriate for certain patients. However, we are opposed to House Bill 1698 because it would mandate coverage for these products on every formulary, and restrict a health insurance plan's ability to use utilization review requirements to determine the appropriate use of these products.

AMCP is a national professional association of pharmacists and other health care practitioners who serve society by the application of sound medication management principles and strategies to improve health care for all. The Academy's nearly 8,000 members, with 498 living and practicing in Pennsylvania, develop and provide a diversified range of clinical, educational and business management services and strategies on behalf of the more than 200 million Americans covered by a managed care pharmacy benefit.

Managed care pharmacists have a responsibility to work with patients and other health care professionals to ensure the appropriate use of opioids and that prescriptions are dispensed and utilized for legitimate medical needs. That is why the language in Sections 4 and 5 is concerning to AMCP. Section 4 arbitrarily mandates health insurance coverage for at least three abuse deterrent opioid analgesic drugs if at least one non-abuse deterrent opioid analgesic drug is on a formulary. Then in Section 5 the government limits a health insurance plan's ability to use utilization review requirements to determine the appropriate use of these products.

Mandating coverage for three abuse deterrent opioid analgesic drugs and then restricting utilization review would be problematic because:

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- current data on the public health impact of abuse-deterrent formulations is limited because of their newness in the marketplace;
- post-marketing studies have not yet determined whether abuse deterrent opioids effectively curb the misuse or abuse of opioids;
- the overall cost to patients and payers of these new formulations could be ten times more than the cost of generic drugs; and
- not every patient prescribed an opioid needs an abuse-deterrent formulation.

Mandating coverage requirements may not result in lowering the incidence of misuse or abuse of opioids but it will result in higher overall medication costs for public and private payers. Similar legislation was vetoed by New Jersey Governor Chris Christie and New York Governor Andrew Cuomo. In their veto messages, both Governors cited the uncertain benefits and high cost of these drugs. Although the fiscal note for this bill indicates that there will be no adverse impact on the Commonwealth funds, mandated access to more costly medications will likely have an adverse impact on health care costs for your constituents and those employers that provide health insurance coverage for their employees.

Finally, AMCP cannot support House Bill 1698's restriction on utilization management. The use of "step therapy" and prior authorization encourages physicians to tailor evidence based treatments, based on a specific patient's needs before graduating to more potent and higher-risk or expensive drugs. While opioid abuse is a major problem, the fact is that only a minority of people legally prescribed opioids abuse them.¹ The majority of patients prescribed an opioid do not need an abuse deterrent formulation. Health insurance plans have the expertise to design a pharmacy benefit coupled with utilization management that fits the needs of their patients.

AMCP urges you to allow health insurance plans to continue to work with patients and providers to determine the appropriate opioid or other course of action for a patient's condition. Also there is a critical need to educate patients and prescribers on issues surrounding opioid abuse.

We appreciate the opportunity to share our views and respectfully request the Committee to oppose House Bill 1698. If you have additional questions, you may contact AMCP's Director of Legislative Affairs, Regina Benjamin, at (703) 683-8416 or rbenjamin@amcp.org.

Sincerely,



Susan A. Cantrell, RPh, CAE
Chief Executive Officer

¹ A Tool to Assess Risk of De Novo Opioid Abuse or Dependence Ciesielski, Thomas et al. The American Journal of Medicine, Volume 129, Issue 7, 699 - 705. (After conducting a retrospective cohort study using de-identified integrated pharmacy and medical claims for 694,851 patients between October 2009 and September 2013, researchers observed Opioid abuse or dependence in only 2067 patients (0.3%)).