

June 14, 2016

The Honorable James L. Seward, Chair Senate Insurance Committee New York State Senate 172 State Street, Room 430 State Capitol Building Albany, NY 12247

Re: S. 3419--C – Regulation of Step Therapy Protocols

Dear Senator Seward:

The Academy of Managed Care Pharmacy (AMCP) is writing to express our opposition to certain mandated provisions in S. 3419 – C, an act establishing and mandating requirements for step therapy programs used by insurers, et al. This legislation as proposed would impose unnecessary additional requirements for an insurer's step therapy program. The Academy is concerned that mandated requirements for a medical exceptions process and mandated time lines for responses will usurp the ability of the insurer to manage medication benefits for the patient population served.

AMCP is a national professional association of pharmacists and other health care practitioners, including 356 members in New York, 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 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.

AMCP supports the patients' right to request a step therapy override determination and to seek reconsideration of an insurer's decision. Therefore, AMCP supports the language in Section 3(g-9) and Section 8(7-F-3) which permits insurers to continue using their existing medical exceptions processes.

However, AMCP cannot support the provisions in Sections 1(10), 2(10), 3(G-8), 5 (C-1), 7(j), 8(7-F-2) and 10 (Override Determinations) which would replace an insurer's processes and independent judgement with a government defined and mandated process and impose specific timelines for responses. The imposition of specific timelines for responses may be in conflict with an insurer's existing exceptions process which this legislation would allow an insurer to maintain. AMCP urges you to strike these sections in their entirety.

In addition, § 5 (C-1) defines five specific exceptions when an insurer must grant an exception. While these serve as examples of circumstances that an insurer may consider in determining whether to grant a request, these circumstances may not be the only considerations for an insurer and may not reflect current clinical and scientific evidence. Insurers have experience evaluating peer-reviewed medical literature to

design drug regimens consistent with current scientific, medical, and pharmaceutical treatment evidence and guidelines. To ensure that individuals have continued access to appropriate medication therapy, insurers must retain the flexibility to make judgments regarding the reliability of medical literature when designing the pharmacy benefit. Therefore, AMCP requests that the Committee strike this mandate in its entirety and allow insurers flexibility in managing medications for a patient population.

For the reasons presented, we respectfully urge you to amend S.3419-C to strike the above referenced provisions. We appreciate the opportunity to share our views on S. 3419 - C. If you have any questions please contact AMCP's New York advocacy leader, Lee Marks at (875) 673-9687 or lee.marks@orexo.com, or AMCP's Director of Legislative Affairs, Reginia Benjamin, at (703) 683-8416 or rbenjamin@amcp.org.

Sincerely,

Susan A. Cantrell. RPh, CAE Chief Executive Officer