

Comment Report

SF 333

A bill for an act relating to pharmacy benefits managers, pharmacies, and prescription drug benefits, and including applicability provisions.

Subcommittee Members: Klimesh-CH, Petersen, Schultz

Date: 02/27/2023

Time: 10:00 AM

Location: Room G15

Name: Aaron Segel

Comment: Dear Senators Klimesh, Petersen, and Schultz, On behalf of the Iowa Oncology Society (IOS) and the Association for Clinical Oncology (ASCO), I have attached a letter of support for SF 333. Thank you for your consideration.



February 27, 2023

Senator Mike Klimesh
Senator Janet Petersen
Senator Jason Schultz
Subcommittee, Senate Committee on Commerce
Iowa State Capitol
1007 East Grand Avenue
Des Moines, IA 50319

Dear Senators Klimesh, Petersen, and Schultz,

The Iowa Oncology Society (IOS) and the Association for Clinical Oncology (ASCO) are pleased to support SF 333, a bill that would protect Iowa patients from copay accumulator practices and anticompetitive pharmacy benefit manager (PBM) practices.

IOS is a community of oncologists, nurse practitioners, physician assistants, and other allied health professionals who provide a powerful voice for multidisciplinary cancer care teams and the patients they serve. ASCO is a national organization representing physicians who care for people with cancer. With nearly 45,000 members, our core mission is to ensure that cancer patients have meaningful access to high quality, equitable cancer care.

IOS and ASCO are committed to supporting policies that reduce cost while preserving quality of cancer care; however, it is critical that such policies be developed and implemented in a way that does not undermine patient access. Copay accumulator programs target specialty drugs for which manufacturers often provide copay assistance. With a co-pay accumulator program in place, a manufacturer's assistance no longer applies toward a patient's co-pay or out-of-pocket maximum. This policy means patients will experience increased out of pocket costs and take longer to reach required deductibles. By prohibiting these funds from counting toward patient premiums and deductibles, co-pay accumulators negate the intended benefit of patient assistance programs and remove a safety net for patients who need expensive specialty medications but cannot afford them.

Copay accumulator programs lack transparency and are often implemented without a patient's knowledge or full understanding of their new "benefit." Far from being beneficial, copay accumulator programs increase financial burden for patients, many of whom are facing life-threatening illness. The impact is especially hard on low-income populations. Increasing patient cost can contribute to medical bankruptcy and cause patients to discontinue care, seek non-medical alternatives—or forego treatment altogether. The result is poorer health outcomes and greater cost to the system.

IOS and ASCO also support language in this bill that targets anti-competitive PBM business practices. We are opposed to requirements that steer patients towards the exclusive use of PBM-owned or affiliated pharmacies. PBMs are increasingly shifting drug dispensing away from physicians and toward pharmacies they own or with which they are affiliated, which can negatively impact patient care and access.

Some PBMs require that patients use only their proprietary specialty pharmacy for certain drugs, despite the possibility that the patient could access the drug more cheaply and quickly from a different pharmacy. For example, PBMs actively incentivize—and in some cases require—patients to use mail order or specialty pharmacies in lieu of a dispensing physician. These actions are problematic, as it means PBMs are both competing with and determining reimbursement rates for pharmacists.

IOS and ASCO are encouraged by the steps that SF 333 takes toward eliminating co-pay accumulator programs and anti-steering in Iowa and we strongly urge the subcommittee to pass the measure with favorable recommendation on the full Commerce Committee. For a more detailed understanding of our policy recommendations on this issue, we invite you to read the [ASCO Policy Brief on Co-Pay Accumulators](#) and the [ASCO Policy Brief on Pharmacy Benefit Managers](#) by our affiliate, the American Society of Clinical Oncology.

We welcome the opportunity to be a resource for you. Please contact Aaron Segel at ASCO aaron.segel@asco.org if you have any questions or if we can be of assistance.

Sincerely,



Susannah P. Friemel, MD
President
Iowa Oncology Society



Lori J. Pierce, MD, FASTRO, FASCO
Chair of the Board
Association for Clinical Oncology