



Global Healthy Living Foundation
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Re: S.B. 445 Support

Dear Representative:

On behalf of the thousands of Connecticut residents fighting chronic disease that our organizations represent, we ask you to support S.B. 445, "An Act Concerning Fairness in Pharmacy and Pharmacy Benefits Manager Contracts," which passed the Senate on May 24. The bill significantly reduces healthcare spending and puts the patient first by ending a little known but deceptive practice often used by pharmacy benefit managers (PBMs) to profit from over-charging enrollees for their prescription medicines, encouraging efficient care coordination through use of health information technology (HIT), and providing for transparency in facility fees.

Current law allows for "clawbacks" which drastically increase healthcare spending. Under these schemes a patient goes to a pharmacy to fill a prescription and is charged a copayment that may be more than if the patient were to pay cash. The pharmacist is reimbursed at the normal rate, but is contractually obligated to send the over-charged "clawback" to the PBM. Current law also allows for a gag order preventing pharmacists from disclosing the price discrepancy, greatly restricting the patient's autonomy. While the PBMs profit, pharmacists are bound to aid without realizing any of their own benefits, and patients suffer significant financial burdens.

Passage of S.B. 445 would ban PBMs from charging a patient more than the cash price for a medication, and prevents them from prohibiting pharmacists from disclosing information about all of the available payment options to a patient. This ends the deceptive practice of PBM "clawbacks" once and for all, saving patients, insurers and the health care system money, while preventing PBMs from interfering with pharmacists' ability to provide high quality, efficient care for the patients they serve.

Healthcare spending waste is also due in part to lack of coordination between hospitals and care providers, resulting in repetition of expensive diagnostic testing. S.B. 445 allows for sharing of information from hospital electronic medical records to patients themselves, or with the informed consent of the patient to their primary care providers. This sharing of information such as laboratory testing, imaging, and other diagnostic tests reduces the need for these same procedures to be repeated in the outpatient setting. Intelligent use of HIT improves quality and continuity of care and drastically lowers cost to the patient and the greater healthcare system.

Patient autonomy is further protected in S.B. 445 with a provision related to price transparency in hospital outpatient facilities. Frequently, these facilities charge an overhead price due to their association with a hospital, in addition to the provider price anticipated. Under this new legislation, hospital outpatient facilities are required to notify their patients in writing and verbally that they may be responsible for a higher cost of care than if they went to a non-hospital affiliated location. This empowers the patient giving them the ability to make a fully informed decision about where they receive their care, and enables them to be responsible consumers by controlling their healthcare spending. S.B. 445 creates a more efficient system overall.

Passing S.B 445 keeps patients at the center of health care decisions, allows pharmacists to practice to the full extent of their licensure, and significantly reduces healthcare spending. We hope that you will keep this in mind and offer your support.

Thank you for your time and consideration.

Sincerely,

Global Healthy Living Foundation
AIDS Connecticut
Aimed Alliance
American Academy of Pain Management
Coalition of State Rheumatology Organizations
Connecticut Hemophilia Society
International Foundation for Autoimmune & Autoinflammatory Arthritis
Lupus and Allied Diseases Association
New England Hemophilia Association
U.S. Pain Foundation

