

STEP THERAPY MYTHS V. FACTS

MYTH

Step Therapy is not widely used by insurers.

FACT

77 percent of health plans surveyed use step therapy protocols for chronic migraine, Crohn's disease, psoriasis, ulcerative colitis, rheumatoid arthritis, ankylosing spondylitis, psoriatic arthritis, juvenile arthritis, multiple sclerosis, and hepatitis C. In addition, 55 percent of health plans surveyed used step therapy protocols that were more stringent than established clinical guidelines.¹

MYTH

Step therapy policies can save money.

FACT

Step therapy policies may result in short-term cost savings but can increase a consumer's total annual costs by \$400 a year. Step therapy policies have been found to simply shift costs between health care services. For instance, one study found that while step therapy protocols decreased prescription drug costs by approximately \$20 per month, they increased outpatient service costs by \$31 per month. Thus, overall health care costs increased on average by \$11.²

MYTH

New York's current step therapy law adequately protects patients.

FACT

The current step therapy law provides important protections such as 72- and 24-hour timelines for responding to step therapy requests. However, many of the other requirements are subject to plan interpretation. As a result, the law is not clear on what type of steps are impermissible within step therapy policies. For instance, under the current law health plans can require patients to try off-label treatments before providing access to FDA approved treatments. Off-label treatments are prescription drugs that are not FDA approved to treat that specific disease or medical condition.³

REFERENCES:

1. Paige Minemyer, Study finds significant variation in how payers are using step therapy (Nov. 9, 2021), <https://www.fiercehealthcare.com/payer/study-finds-significant-variation-how-payers-are-using-step-therapy>.
2. Louis Tharp & Zoe Rothblatt, Do patient benefit from legislation regulating step therapy? (Apr. 21, 2021), <https://www.cambridge.org/core/journals/health-economics-policy-and-law/article/do-patients-benefit-from-legislation-regulating-step-therapy/0A89759AD6ADB88E0BBF1F919D2179C4>; NORD, Step Therapy (Fail First), <https://rarediseases.org/policy-issues/step-therapy/>.
3. FDA, Understanding Unapproved Use of Approved Drugs "Off-Label", <https://www.fda.gov/patients/learn-about-expanded-access-and-other-treatment-options/understanding-unapproved-use-approved-drugs-label>.