

House Bill 135 Proponent Testimony

Gary Dougherty Director, State Government Affairs American Diabetes Association® Senate Health Committee November 30, 2022

Chairman Huffman, Vice Chair Antani, Ranking Member Antonio, and Members of the Senate Health Committee:

My name is Gary Dougherty and I am the Director of State Government Affairs for the American Diabetes Association[®] (ADA), the nation's leading voluntary health organization fighting to bend the curve on the diabetes epidemic. Founded in 1940, the ADA is made up of people with diabetes, healthcare professionals, research scientists, and other concerned individuals. The ADA's mission is to prevent and cure diabetes and to improve the lives of all people affected by diabetes.

I regret that I am unable to join you today; however, I want to thank Representatives Manchester and West for sponsoring House Bill 135, which would ensure that the value of co-pay assistance programs is applied toward a patient's deductible, and urge your support for the bill.

For individuals living with rare and chronic conditions, like diabetes, the high cost of treatment has a direct impact on patient access. Many patients and their families rely on copay assistance programs from manufacturers and nonprofit organizations to afford the medications they need to manage their conditions - medications that rarely have generic alternatives.

Unfortunately, insurers continue to introduce new programs called *accumulator adjustment programs* that bar all copay assistance from counting towards patients' out-of-pocket costs and impede their access to lifesaving and life-enhancing medication.

Diabetes is a serious disease and must be managed according to the needs of each individual person. The ADA believes that every person living with diabetes should have access to the care, treatments, tools, and information they need to successfully manage their diabetes. It is vital that people with diabetes have the opportunity to work with their health care providers to choose the most appropriate therapeutic option that best meets their individual needs at that particular time. To ensure their access to life-saving treatment, the practice of co-pay accumulator adjustments must be eliminated.

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Through policies known as co-pay accumulators, health plans will accept a patient's co-pay card or coupon, but may not credit the amount toward the patient's deductible or out-of-pocket maximum. As a result, patients are forced to pay more out of their own pocket. Blocking patient assistance can threaten the health of patients with chronic diseases like diabetes and lead to medication non-adherence or rationing. ADA research has shown that, for one in four insulin users, cost has impacted their use. Rationing or skipping doses of insulin is unsafe and can lead to costly and preventable emergency room and hospital visits.

It's important to note that the Ohio Prescription Drug Transparency and Affordability Council, with membership including government, industry, and consumer experts, studied the issues of transparency, pricing, and accessibility of prescription drugs in the State of Ohio and made the recommendation to "(e)xpand options for the use of copayment programs produced by drug manufacturers to help defray the cost of expensive medications." The Council further declared that "(c)ustomers would benefit if these copayment programs could be applied to members' deductibles and out of pocket maximums."

On behalf of the nearly 4.3 million Ohioans with or at risk for diabetes, the ADA joins with the more than 60 members of the Ohio Coalition for Affordable Prescriptions, a coalition of patient and provider organizations, in strong support of HB 135 and urges your support as well.

Ensuring all people with and at risk for diabetes have access to adequate and affordable health care is among ADA's principal policy priorities. HB 135, which was unanimously passed by the House of Representatives earlier this year, will help achieve that goal.

At a time when Ohioans are already struggling financially from the pandemic, we ask that you support and quickly pass HB 135 so patients can afford their medications, stay adherent to their treatments, and reduce the need for expensive hospitalization.

Thank you very much for your attention. If you have any questions, please direct them to me at <u>gdougherty@diabetes.org</u> and I will do my best to answer them for you.

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