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Massachusetts Biotechnology Council
Ninth Floor, One Cambridge Center
Cambridge, MA 02142

May 18, 2010

Dear Representative,

I am writing on behalf of MassBio and our 600 member organizations in support of H4320, and to clarify some information you may have received on exactly what the legislation would do.

As you know, H4320 would allow Massachusetts residents to access rebates, discounts or coupons to help afford their prescription medications. It is proven that access to such discount programs improve a patient's medication adherence, which is a significant cause of preventable illness, hospitalization, and death. Medication non-adherence is also significant source of health care spending. Adherence can be improved by simplifying drug regimens, improving patient behavior, and reducing cost barriers to filling prescriptions. Nearly half of patients surveyed described financial hardship as a reason for not filling their prescriptions. H4320 gives patients struggling with the cost of medication one more option to accessing the life changing therapies they need.

Opponents of H4320 claim the legislation would lure consumers toward brand-name medications. However, a number of policies are in place, and will continue to be in place, to ensure Massachusetts' high rate of generic usage. First, the state Generic Substitution Law will still require pharmacists to substitute a generic medication where one is available. Second, all insurance companies use formularies with fail-first policies that often require a patient to fail on therapy with a generic or less-costly medication before being allowed (only with prior authorization) to try a brand-name medication.

In fact, the experience in states who have recently adopted co-pay assistance legislation shows the opposing argument of a rush to brand-name medication and soaring costs does not bear out. In Rhode Island, which lifted the ban on discount programs in 2003, practitioners have not seen an uptick in brand-name utilization or an increase in the average costs of medication therapy.

Finally, nothing in this bill changes whether a patient's insurance plan does or does not accept coupons and discounts. Insurance plans decide whether to allow the patients they cover to use such programs.

In the current economy, it would serve Massachusetts well to ensure all barriers to patient access (including one's out-of-pocket costs) are removed. H4320 provides an important safety valve for patients who are struggling to afford the cost of the care they so desperately need.

As always, thank you for your work on behalf of the citizens of the Commonwealth and for those sectors creating jobs and addressing unmet medical needs. If you have any questions or comments on the contents of this letter, please do not hesitate to be in contact.

Sincerely,

Robert K. Coughlin
President & CEO