



Consumers for Affordable Health Care

*Advocating the right to quality, affordable
health care for all Mainers.*

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To the Joint Standing Committee On Health Coverage, Insurance, and Financial Services

Testimony in Support of:

LD 2114, An Act to Improve Patient Access to and Savings from Generic Drugs and Biosimilars February 20, 2024

Senator Bailey, Representative Perry, and Members of the Joint Standing Committee On Health Coverage, Insurance, and Financial Services, thank you for the opportunity to submit these comments in support of LD 2114, An Act to Improve Patient Access to and Savings from Generic Drugs and Biosimilars.

My name is Kate Ende and I am a policy director at Consumers for Affordable Health Care, a nonpartisan, nonprofit organization that advocates the right to quality, affordable health care for every person in Maine. As designated by Maine's Attorney General, CAHC serves as Maine's Health Insurance Consumer Assistance Program (CAP), which operates a toll-free HelpLine. Our HelpLine, fields approximately 6,000 calls and emails every year from people across Maine who need help obtaining, keeping, using, or fixing problems with private health insurance or with accessing or affording health care services. Through this work, we often hear from people who have difficulty affording the prescription drug medicine they need.

We know that the experiences of our HelpLine callers are not unique, many Mainers continue to struggle with the cost of prescription drugs. According to polling released last year, one in four Mainers have delayed filling a prescription, cut pills in half, skipped doses of medicine, or did not fill a prescription due to costs.¹ I don't need to tell you that medications are prescribed for a reason: we think it is unconscionable that Mainers are being forced to abandon medicine at the pharmacy because of the sticker shock of their unaffordable prescription drugs.

For these reasons, we support policies that help lower prescription drug costs, as long as they do not hinder an individual's ability to access and afford medically appropriate prescription drugs and care. One topic that frequently arises in discussions around prescription drug costs, is the need to increase access to less expensive generic and biosimilar drugs. However, in some situations, even when generics or biosimilars are available, health plans do not always steer consumers in this direction.

As you are all well aware, we all benefit when consumers utilize the most cost-efficient and medically appropriate care and prescription drugs. However, how can we expect consumer to choose less expensive generic and biosimilar drugs if they are not covered by their health plan

¹ https://drive.google.com/file/d/14-Ywr3GM8FdKP5qa9U3Kp6Q3EdIcIG_4/view

or the formulary for their plan is structured in such a way that they have no financial incentive to do so?

Biosimilar and generic drugs play an important role in creating competition and driving down prescription drug prices. However, this only works if consumers are given access to these alternatives and have a financial benefit to selecting lower-cost options. Health plans should not design formularies in such a way that artificially creates demand for more expensive prescription drugs and forces consumers to pay higher out-of-pocket costs for the medicine they need. Maine people should be given access to the most affordable and medically appropriate prescription drugs that are available, including generic and biosimilar drugs that are available at a lower cost.

However, there may be some situations when a generic or biosimilar may not be the best option for an individual, based on their specific health needs. In these cases, it is important that an individual have access to more expensive brand name drugs, when medically appropriate. We urge the Committee to ensure that brand name drugs continue to be available to consumers if the brand name drug is the most effective treatment for that individual. But in most cases, a generic or biosimilar can provide equally effective treatment at a lower cost and these savings should be reflected on a plan's formulary.

For these reasons, we urge you to vote ought to pass on this bill. Thank you for this opportunity to address the committee and I am happy to answer any questions.