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American Cancer Society
Cancer Action Network
2370 Nu`uanu Avenue
Honolulu, Hawai`i 96817
808.432.9149
www.acscan.org

Senate Committee on Ways and Means
Senator Jill Tokuda, Chair
Senator Ron Kouchi, Vice Chair

HB 261, HD2, SD1 - RELATING TO CONSUMER PROTECTION.

Cory Chun, Government Relations Director – Hawaii Pacific
American Cancer Society Cancer Action Network

Thank you for the opportunity to written comments in support of HB 261, HD2, SD1, which requires specific information provided in drug formularies more consumer friendly and easily accessible and also establishes a formulary working group to come up with recommendations for a standardized formulary template.

Persons living with serious and chronic conditions like cancer need to be sure that the health insurance plan they choose covers the medicine they need. All of the health plans available in the current individual and small group market must provide a benefit package that includes a minimum standard of prescription drug coverage, but the specific drugs covered will vary by plan.

Full formulary information is not currently available on all insurance carrier websites. As a result, patients must track down each plan's formulary to see if their medication is covered. Often formularies are not exhaustive of all covered drugs, in particular, formularies are much less likely to list drugs typically administered in a provider's office and covered under a plan's medical benefit. Adding another layer of difficulty, plan formularies are displayed in different formats making it very time consuming to compare different plans.

Even if a patient is able to find their drug on a plan's formulary, they have no way to compare out of pocket costs across available plans. Adding to this difficulty, quite often cancer drugs are placed on the specialty drug formulary tier. In some cases, the patient cost for these drugs can be up to 30% or more of the total cost of the drug as opposed to a flat dollar amount. Not knowing the total cost of the drug makes it very difficult for the patient to know how much they will have to pay out of pocket. For many patients, the cost of that drug could mean their ability to pay for groceries or a rent payment that month.

When adequate formulary information is unavailable to consumers, people are more likely to choose plans that don't actually cover the medicine they need, or don't cover their drugs at a cost they can afford. For a cancer patient, access to drugs can be the difference between possible life saving treatment, or the alternative, going without. Patients need formulary transparency so they can avoid ever having to face that alternative.

The current draft of HB 261, HD2, SD1, will make drug formularies to be more consumer friendly, while also giving interested parties a chance to further examine the issue through the working group. Patients in need of specific medications will be able to identify which plan covers their drug and how much it will cost them. For cancer patients, access to life saving drugs can make all the difference in their survival of the disease.

Thank you for the opportunity to submit written comments on this measure.