February 5th, 2025

The Honorable Donna Bailey
The Honorable Kristi Mathieson
Members, Committee on Health Coverage, Insurance and Financial Services
Cross Building, Room 220
100 State House Station Augusta,
ME 04333

Re: **LD 178 – An Act Regarding Coverage for Step Therapy for Advanced Metastatic Cancer**
PCMA Testimony in Opposition to LD 178

Dear Chair Bailey, Chair Mathieson, and Members of the Committee:

My name is Sam Hallemeier, and I represent the Pharmaceutical Care Management Association, commonly referred to as PCMA. PCMA is the national trade association for pharmacy benefit managers (PBMs), which administer prescription drug plans for more than 275 million Americans with health coverage provided by large and small employers, health insurers, labor unions, and federal and state-sponsored health programs.

PBMs exist to make drug coverage more affordable by aggregating the buying power of millions of enrollees through their plan sponsor/payer clients. PBMs help consumers obtain lower prices for prescription drugs through price discounts from retail pharmacies, rebates from pharmaceutical manufacturers, and using lower-cost dispensing channels. Though employers, health plans, and public programs are not required to use PBMs, they do so because PBMs help lower the costs of prescription drug coverage.

PCMA appreciates the opportunity to provide testimony on LD 178, a bill that would prohibit a step therapy protocol if a drug or sequence of drugs is prescribed to treat an individual's diagnosis of an "associated condition" to metastatic cancer. PCMA respectfully opposes LD 178.

Step therapy is a process that ensures that the patient gets the safest, most cost-effective drug by requiring the patient to try proven, more affordable therapies before drugs that cost more. Generic drugs are typically much less expensive than their brand-name counterparts. The FDA indicates that prices fall when there are multiple generic competitors. When there are six or more

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generic competitors, prices fall by more than 95%.[1] Step therapy is designed to capture those savings while achieving the medically desired outcome.

According to the National Academies of Sciences, Engineering, and Medicine (NASEM): "Every plan, whether Part D or an employer-sponsored pharmacy benefit, has an exception process that permits coverage of a drug not on formulary or reduces out-of-pocket cost if a physician provides information about side effects the patient has experienced from a lower tiered drug or offers another medical reason for switching."[2] This process safeguards against the use of step therapy from being too restrictive.

Plans and PBMs rely on independent Pharmacy and Therapeutics (P&T) Committees, comprised of physicians, pharmacists, and other medical professionals, to develop evidence-based guidelines used in drug management programs. Ensuring these controls do not impair the quality of care and safety is of the utmost importance.

Metastatic cancers are often complicated to treat; oncology medications have dangerous side effects and have guidelines that are constantly changing. PBMs follow criteria consistent with guidelines from the National Comprehensive Cancer Network (NCCN) and other generally accepted industry sources of clinical information and research to ensure that patients receive optimal treatment based on the medications prescribed. By adding the definition of "associated conditions" as written in LD 178, the patient may be put at more risk for side effects and decreased quality of life. Many cancer patients require a team of doctors to treat them, and it is important to run the necessary checks against all medications prescribed to ensure the patient is receiving optimal treatment.

It is for these problematic provisions noted above that we must respectfully oppose LD 178.

Thank you for your time and consideration. Please contact me should you have any questions or concerns.

Sincerely,

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[1] Estimating Cost Savings from New Generic Drug Approvals in 2018, 2019, and 2020. Ryan Conrad, PhD; Kristin Davis, JD; Lukas Glos, MA; William Liu, PhD. U.S. FDA. Aug. 2022. Generic Competition and Drug Prices: New Evidence Linking Greater Generic Competition and Lower Generic Drug Prices. Ryan Conrad, PhD, and Randall Lutter, PhD. U.S. FDA. Dec. 2019.
[2] "Making Medicines Affordable: A National Imperative," National Academies of Sciences, Engineering, and Medicine (NASEM), Nov. 2017.

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