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February 20, 2024

AARP ME Testimony Neither for Nor Against LD 2114 An Act to Improve Patient Access to and Savings from Generic Drugs and Biosimilars

Greetings Senator Bailey, Representative Perry and members of the Committee on Health Coverage, Insurance and Financial Services. I am Bridget Quinn, Associate State Director of Advocacy and Outreach for AARP Maine. Today, I am testifying Neither for Nor Against LD 2114.

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. On behalf of our nearly 200,000 members statewide, thank you for the opportunity to share testimony.

AARP ME has been fighting to lower prescription drug costs for all Mainers for years. Seniors are struggling to afford everything from groceries to gas, while big drug companies are charging Americans three times more for prescription drugs than everyone else in the world. A 2023 AARP Public Policy Institute study reports that the 25 brand-name prescription drugs that Medicare Part D spends the most on have, on average, more than tripled since these medications came on the market.

This AARP report also found that the lifetime price increases for all but one of the top 25 drugs greatly exceeded the annual rate of inflation. Many of these are brand name prescriptions. Brand name drugs are often more expensive than generic. Generic medicines make up 90% of all prescriptions in the US and are usually 80-85% less expensive than the brand name versions.

LD 2114 seeks to increase access to generic drugs by ensuring that health insurance companies that provide coverage for prescription drugs include on the formulary, generic drugs and biosimilars that are less expensive than the brand name drug. Further, the bill prohibits carriers from imposing significant barriers on consumers to access these medications by requiring prior authorization or step therapy requirement or other limitation on coverage for the generic drug or biosimilar.

AARP ME supports these provisions of the bill. We however would like to draw attention to section 5 of the bill, " 5. Coverage for brand drug after approval of generic drug or biosimilar. A carrier is not required to continue providing coverage for a brand drug after a

generic drug or biosimilar is approved by the United States Food and Drug Administration." In the case someone is unable to take a generic drug, for example if they have an adverse effect and they and their doctor agree the brand name is a better fit we would want that individual to have coverage and recommend this language be amended.

We would recommend adding language such as "as long as the generic drug has been approved by a physician to be a suitable alternative for the patient." To section 5.

Given the concerns around Section 5 we are neither for nor against this bill but believe that LD 2114 has language that will better support Mainers in accessing affordable prescription drugs.

We urge this committee to further consider language that would increase access to generic prescriptions but not jeopardize the coverage for those who need access to a brand name drug.

Thank you for your time. If you should have questions, I can be reached at bquinn@aarp.org or at 207-272-8563.

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