



Maine Legislature – Committee on Health Coverage, Insurance and Financial Services
Public Hearing – May 20, 2021
LD 1706

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Chair Sanborn, Chair Tepler, and members of the Committee on Health Coverage, Insurance, and Financial Services, thank you for the opportunity to submit testimony on LD 1706 and how it might impact people living with multiple sclerosis (MS).

MS is an unpredictable, often disabling disease of the central nervous system that disrupts the flow of information within the brain, and between the brain and body. Symptoms vary from person to person and range from numbness and tingling to walking difficulties, fatigue, dizziness, pain, depression, blindness, and paralysis. The progress, severity, and specific symptoms of MS in any one person cannot yet be predicted, but advances in research and treatment are leading to better understanding and moving us closer to a world free of MS. Nearly 1 million people in the United States and 2.3 million worldwide are currently living with MS.

Growing evidence shows that early and ongoing treatment with a Food and Drug Administration (FDA) approved disease-modifying therapy (DMT) is the best way to manage the MS disease course, prevent accumulation of disability and protect the brain from damage due to MS. There are now more than twenty DMTs on the market, including generic alternatives for two of the brand options; these medications have transformed the treatment of MS over the last 25 years. The full range of MS DMTs represent various mechanisms of action and routes of administration with varying efficacy, side effects and safety profiles. No single agent is 'best' for all people living with MS¹ and, as MS presents differently in each person, every person's response to a DMT will vary. Further, most of the MS DMTs are not therapeutically interchangeable.

While not identical, most brand MS DMTs have seen similar pricing trajectories. When the first MS DMT came on the market in 1993, the price range was \$8,000 to \$11,000 for one year of treatment. Since that time, price increases occurring one or more times per year for almost all

¹ MS Coalition. The Use of Disease Modifying Therapies in Multiple Sclerosis: Principles and Current Evidence. http://www.nationalmssociety.org/getmedia/5ca284d3-fc7c-4ba5-b005-ab537d495c3c/DMT_Consensus_MS_Coalition_color. Accessed December 26, 2018.



DMTs have become the norm. In 2013, the annual median price for MS DMTs was less than \$60,000, today the median price for brand MS DMTs is \$93,672. Five MS DMTs are now priced at more than \$100,000 per year and almost all these treatments must be taken each year. Recent analysis shows that price increases of brand name drugs are largely driven by year-over-year price increases of drugs that are already in the market vs. new products.²

Generics are relatively new to the MS market, but the addition of generics to the MS class has not driven down the cost of DMTs substantially, as would be expected in a normal competitive market. When including generics, the median price of MS DMTs only falls to \$88,212 a year and our experience with MS generics has demonstrated that they have their own unique set of access issues.

Increasingly, people with MS are faced with higher out-of-pocket costs due to high deductibles and co-insurance rather than a flat co-pay for their MS DMT. These insurance plan designs create significant hurdles to access. 70% of people with MS have relied on patient assistance programs to be able to afford and stay on their disease-modifying treatment.

Generic medications play a critical role in prescription drug affordability, yet generics for specialty drugs, like MS DMTs, are still unaffordable for many patients. These generics are often covered by health plans like specialty medications rather than other generics, creating high cost-sharing for people with MS, while the brand product, despite its higher price, receives favorable or equal treatment in specialty tiers. This structure disincentivizes the use of the lower-cost generic alternatives. We have heard directly from people with MS and MS healthcare providers that some people with MS are unable to afford the cost-share of their generic MS DMT, which may still be several hundred dollars each month. It can also be more difficult to obtain patient assistance funds for generic medications, which leaves people with MS and healthcare providers few affordable options. Because generics are unaffordable, people with MS may switch to a different DMT, one that is higher cost to the system but may have a lower out-of-pocket cost to the person with MS due to insurance design or available patient assistance supports.

Legislation like LD 1706 would go a long way in improving access to generic medications for people living with chronic and complex illnesses such as MS. Ensuring that generics are offered at a meaningfully lower dollar amount and that, if there is a formulary, they are placed on a generic tier, would help broaden the use of generic alternatives and ultimately lead to lower healthcare costs to the system.

² Hernandez, Inmaculada et al. "The Contribution of New Product Entry Versus Existing Product Inflation in the Rising Cost of Drugs." Health Affairs. Vol.38, No. 1. <https://doi.org/10.1377/hlthaff.2018.05147>



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The National MS Society strongly supports LD 1706 and hopes that this Committee will move this legislation forward, ensuring that Mainers have the access to quality and affordable care they need.

Should you have any questions or concerns, please feel free to reach out to Laura Hoch at laura.hoch@nmss.org or (860) 913-2550 X52521.