L.D. 1636: "An Act To Reduce Prescription Drug Costs by Using International Pricing"

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Senator Sanborn, Representative Tepler, and members of the Committee on Health Coverage Insurance and Financial Services, I am Carole Florman of Edgecomb, Maine and a policy fellow at Cancer*Care*, the leading national organization providing free, professional support services and information to help people manage the emotional, practical, and financial challenges of cancer. I am writing in opposition to L.D. 1636, "An Act to Reduce Prescription Drug Costs by Using International Pricing."

My work for Cancer*Care* is primarily focused on increasing access to healthcare, advocating for policies and practices that ensure that patients can get the treatments they need when they need them. Like the sponsor and supporters of this legislation, I believe that the rising cost of prescription drugs is a problem that needs to be addressed. I disagree, however, that using international reference pricing is the right solution.

L.D. 1636 would tie the price of drugs sold in Maine to the prices set by four Canadian provinces but would unintentionally import a framework that has long been rejected in the United States as discriminatory toward people with disabilities and chronic conditions. Under the Canadian system, before a drug is approved for coverage in a province, it undergoes a Common Drug Review by the Canadian Agency for Drugs & Technologies in Health (CADTH), which relies on a discriminatory metric – the Quality Adjusted Life Year, or QALY – when making its coverage and reimbursement decisions[1].

QALY-based assessments place a price tag on the value of living a full year of life in perfect health. A treatment that does not offer a full year of life, or that offers less-than-full quality of life (as determined by the assessing organization, not the patient or their family), receives a lower score and may not qualify for reimbursement. The QALY does not account for outcomes that matter to the people living with the relevant health condition and attributes a lower value to life lived with a disability. When applied to health care decision-making, the results can mean that people with disabilities and chronic illnesses, including older adults, are deemed not worth the cost to treat. In countries that rely on QALYs, including Canada, many patients with chronic conditions are unable to access lifesaving, or life-improving drugs that Americans can routinely access.

The United States has a thirty-year, bipartisan track record of opposing the use of the QALY and similar discriminatory metrics and has established appropriate legal safeguards to mitigate their use. There is currently a ban on use of the QALY or similar metrics in Medicare decision-making.[2] In 1992, the U.S. Department of Health and Human Services established that Oregon's efforts to utilize a cost-effectiveness standard in Medicaid would violate the Americans with Disabilities Act.[3]

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[1]https://cadth.ca/sites/default/files/pdf/guidelines_for_the_economic_evaluation_of_health_technologies_canada_4th_ed.pdf

[2] 111th Congress of the United States of America. (2010). H.R. 3590 The Patient Protection and Affordable Care Act. *Section 1182*. Washington, DC.

[3] https://www.nytimes.com/1992/09/01/opinion/l-oregon-health-plan-is-unfair-to-the-disabled-659492.html

In 2019, the National Council on Disability issued a report finding that use of the QALY would be contrary to United States civil rights and disability law. The report was direct in recommending that the United States should not reference prices established in other countries that rely on the use of the QALY[4].

Mainers access to appropriate medical treatments should not depend on whether a Canadian organization has determined that their condition or age makes them worth the cost of care. I urge you to reject S.P. 520 and uphold the American belief that all lives are equally valuable, and discrimination has no place in healthcare decision-making.

Thank you for your consideration.

[4] https://ncd.gov/sites/default/files/NCD_Quality_Adjusted_Life_Report_508.pdf