

Health & Insurance Committee Colorado General Assembly 200 E Colfax Avenue Denver, CO 80203

## February 28, 2023

Chairwoman Daugherty and Members of the Health & Insurance Committee,

On behalf of the 1.2 million Colorado residents with doctor-diagnosed arthritis, thank you for the opportunity to submit testimony in support of HB23-1183, which addresses step therapy and prior authorization. The Arthritis Foundation understands utilization management tools such as step therapy and prior authorization can play a role in helping payers manage costs, but when these processes are overly burdensome and lengthy, they can pose a significant hurdle for patients and impede patient-centered care.

Step therapy practices currently used by insurers require people with arthritis to try lower-cost medications before permitting more expensive treatments, despite a physician's recommendations for treatment. As a result, patients can often only access the drug their physician feels will be most effective after they have failed on the drug required by the payer. When a person changes insurance or a drug they are currently taking is moved to a non-preferred status, the person may be put through this step therapy process again. Some step therapy protocols also impose these requirements on patients remaining on stable treatments.

A survey of more than 1,400 patients conducted in 2016 by the Arthritis Foundation revealed that over half of all patients reported having to try two or more different drugs prior to getting the one their doctor had originally ordered. Step therapy was stopped in 39 percent of cases because the drugs were ineffective, and 20 percent of the time due to worsening conditions. Incredibly, nearly a quarter of patients who switched insurance providers were required to repeat step therapy with their new carrier.

The Arthritis Foundation has also heard from arthritis patient leaders recently across the country to learn more about what information they want to know about the preauthorization requirements of their treatments. The overwhelming theme: patients spend a lot of time managing administrative barriers to their care, and therefore want as much transparency and detail about the process as possible. For instance, a majority want at least 30 days' notice before any prior authorization changes by the insurer; clear, easy to understand information about the exceptions and appeals processes; and



meaningful transparency about how the approval process is progressing, including the use of digital tools such as patient portals to track information.

For chronic patients living with arthritis, it can take months or even years to find the treatment that works best. Interruptions to ongoing treatment can result in negative health consequences and patients may miss work or become permanently disabled as a result. Prior authorization and step therapy tools should be streamlined to allow for flexibility, including timely override of requirements, appeal of denials and in circumstances where a patient is changing plans, ensure the new plan does not need to repeat previously completed step therapy processes.

HB23-1183 reforms the step therapy and prior authorization process in Colorado to ensure patients living with arthritis can access the treatment that works best for their long-term care in a timely fashion without having to navigate an overly burdensome process for drug approval.

The Arthritis Foundation thanks the committee for their consideration of HB23-1183 and urges all members to support this critical legislation.

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