



Dear Members,

On behalf of the below signed organizations and the thousands of Coloradoans we represent, please consider voting NO on HB23-1225 – Extend and Modify Prescription Drug Affordability Review Board. This bill seeks to remove significant guardrails to a divisive bill that passed the General Assembly less than 2 years ago. In fact, we have yet to see any impact from the creation of this board, apart from costs to the state. The state needs to give the board time to work under the structure created in 2021, rather than make additional changes prematurely.

We share your concerns related to the high cost of prescription medicines that too often are unaffordable for patients – even those with health insurance. However, we remain concerned that giving an unelected board the authority to set drug prices (in the form of an Upper Payment Limit or UPL) may result in dangerous unintended consequences without guaranteeing lower prices for patients at the pharmacy counter.

As we understand it, the Prescription Drug Affordability Board has already faced some timing setbacks and additional expenses that were not originally anticipated. In fact, a recent request for an additional \$260,000 of taxpayer dollars was just approved by the Joint Budget Committee in February. It seems counter-intuitive to modify this law until we have seen if it can lower drug prices for consumers and taxpayers when it has so far, failed to do so.

We are particularly concerned with three provisions of HB23-1225 that would provide the PDAB with greater authority without any proven success. The first, allows the board to consider any drug brought by an individual to be considered for a UPL. The second, would remove the UPL being applied to only 12 drugs for the first three years of the program. Instead, the board could set a UPL on any number of drugs. The third, would *double* the UPL sunset from five years to ten. We encourage the legislature to

maintain your vigorous oversight responsibilities for this experimental board and *not* lengthen the sunset provision.

We remain committed to working with you to find solutions for patients to access the lifesaving medications that improve their quality of life. However, we are concerned the current PDAB could reduce access to medications deemed unaffordable by this unelected board. Additionally, what impact will this have on our hospitals, physicians, and pharmacists? Will they maintain access to cutting-edge treatments for their patients or will they have fewer options for care? These concerns were expressed by dozens of hospitals, providers and the Colorado Pharmacists Society when the original law (SB 21-175) was passed. These same groups continue to express the same concerns through the PDAB regulatory process because the Board has not solved for how to prevent access issues for drugs subject to a UPL.

With so many questions and variables still unanswered, we respectfully ask the legislature to press pause on HB23-1225. There should be no rush to pass a second PDAB bill before we know if the PDAB put in place with the original bill will even lower the cost of drugs for patients at the counter.

Sincerely,

The Aurora Chamber of Commerce

AC-REP – Invested in Greater Adams County

Colorado BioScience Association

Colorado Competitive Council

Colorado Women's Alliance

The Denver Chamber of Commerce

Grand Junction Area Chamber of Commerce

ICAN, International Cancer Advocacy Network

Lupus Colorado

Michael Lee, Parent of Child with Duchenne Muscular Dystrophy

National Scleroderma Foundation Rocky Mountain Chapter

PRO 15

Westminster Chamber of Commerce

SLC6A1 Research and Support

House Health & Insurance
 03/10/2023 Upon Adjournment
 HB23-1225 Extend & Modify Rx Drug Affordability Board
 Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
<p>Lisbet Finseth For National Multiple Sclerosis Society</p>	<p>The Prescription Drug Affordability Board is one solution at the state level to helping patients stave off disability and access these life-saving medications. The Society applauds the creation of the board and the work it has performed thus far in developing a process for drug review and upper payment limit setting, but recognizes that this is not fast enough to address the issues faced now by those living with MS. For a complex and diverse chronic disease like MS that has little identifiers for development or progression, seemingly small differences from prescription-to-prescription can influence the long-term well-being of the patient. Patients and their providers factor in things like efficacy, dosage, route of administration and side effects when considering treatment because these aspects greatly differ in effectiveness of halting MS from individual to individual. Even more so, every single one of the 21 brand name MS medications cost over \$60,000, with 11 at over \$100,000. Even the generics are priced extraordinarily high. For example, Copaxone (20 mg) is a glatiramer acetate priced at \$86,554 a year (2023), which also has a generic alternative on the market. This generic, while substantially cheaper, is still \$23,725. Prolonging ineffective treatment (and delaying the medication initially prescribed by the healthcare provider) may result in disease progression for patients. For those with diseases such as multiple sclerosis, which may be severe or debilitating, delaying treatment can lead to serious outcomes. It can take years following an MS diagnosis to find the most effective course of treatment and when a patient does, they should remain on that drug uninterrupted. The Society urges this committee and the larger legislative body to vote in support of HB23-1225. This bill gives the prescription drug affordability board access to establish upper payment limits for more medications and other high-cost treatments faster, helping those struggle with the large financial burden now. Stability is crucial for those living with MS, and this bill will ensure patients can afford their life-saving treatments in a timely manner. Protect the residents of Colorado and ensure that they can afford to access medications.</p>



Healthcare Distribution Alliance

HEALTH DELIVERED

Chair Lindsey Daugherty
Colorado House of Representatives
House Health & Insurance Committee
200 E Colfax Avenue
Denver, CO 80203

March 10, 2023

Chair Daugherty, Vice Chair deGruy Kennedy and honorable members of the House Health & Insurance Committee,

On behalf of the Healthcare Distribution Alliance (HDA), the national trade association representing primary pharmaceutical wholesale distributors, I am writing to express our respectful opposition to House Bill 1225, which will extend and modify the Prescription Drug Affordability Board (PDAB).

HDA members serve as the vital link between the nation's pharmaceutical manufacturers and pharmacies, hospitals, long-term care facilities, clinics, and others nationwide, including over 700 located across Colorado. HDA members work around the clock to ship nearly 15 million healthcare products (medicines, medical supplies, durable medical equipment, etc.) to pharmacies, hospitals, and other healthcare providers daily to keep them stocked with the medications and products they need to treat and serve patients.

While HDA members understand the need to address technical aspects of legislation once a law has been enacted, HB 1225 goes beyond these technical changes and proposes a considerable expansion to the Board's authority regarding affordability reviews. Currently, the Colorado PDAB is in the very beginning phases of identifying drug products and determining how to conduct an affordability review under the initial statute, expanding the scope of the Board at this stage, without establishing any legislative oversight, is highly concerning.

Since the initial consideration of SB 21-175, our industry has expressed concerns with the overall disruption a PDAB could have on the pharmaceutical supply chain, especially with an unelected board having the authority to establish an upper payment limit on identified drug products. This could result in manufacturers choosing to no longer allow products with an established UPL to be sold into the state or simply cease producing certain drug products. Potentially leading to a disruption in patient care, the need to identify new drugs to offset the product being removed from market, and shortages of products given the instability in the marketplace.

Furthermore, as more states consider PDAB legislation, this will ultimately result in a patchwork of state policies and pricing metrics for a variety of pharmaceutical products. This further increases the overall cost in the supply chain and creates unpredictability in the marketplace as a whole. These state-level policies are also being considered at a time in which the industry is already undergoing significant drug policy changes at the federal level which will have a fundamental impact on the overall pharmaceutical supply chain. States should take time to fully realize the impact of the federal policy changes without adding additional complications to the marketplace.

We respectfully request the Committee oppose HB 1225 and allow the PDAB to continue their work as previously established. Expanding the scope of the PDAB at this stage is premature and could lead to unintended consequences to patient care in Colorado. I would be happy to discuss our comments and help answer any questions, you can reach me at LLindahl@hda.org or (303) 829-4121.

Thank you,

Leah Lindahl
Vice President
Healthcare Distribution Alliance (HDA)