

Before we begin I'd like to thank Representative Lewis, fellow committee members and the providers who have taken the time out of their busy schedule to address an issue that is vital to the health and well-being of North Carolina residents.

My name is Amy Prentice and I am the state government relations manager for the National Psoriasis Foundation. The National Psoriasis Foundation (NPF) is a non-profit, voluntary health agency dedicated to curing psoriatic disease and improving the lives of those affected. The Psoriasis Foundation is the leading patient advocacy group for the 7.5 million Americans and 248,600 North Carolinians living with psoriasis and psoriatic arthritis.

When we last met in December we learned Step therapy is a cost containment tool used by health insurance plans that requires patients to first try and fail on one or more medications not prescribed by their physician before the plan will authorize coverage for the originally prescribed medication. Step therapy impacts a range of chronic and life-threatening diseases including psoriasis, psoriatic arthritis, multiple sclerosis, diabetes, cancer and mental health, among others.

While insurers and pharmacy benefit managers (PBMs) argue that step therapy protocols provide appropriate and affordable drug treatments, step therapy can have the opposite effect by unnecessarily prolonging ineffective treatment and preventing patients from immediately starting treatments recommended by their physician or health care practitioner.

The intent of potential legislation is not to ban step therapy. Instead it focuses on ensuring that both a clear pathway exists for an exception to step therapy being granted by an insurer and that the protocols in place are based on independent clinical evidence.

At our last hearing we also heard from various patients whose experience with the step therapy showed that this process, which included as many as four required steps lasting over the course of months and even years, has a severely negative impact on their health leading to ICU stays and disease deterioration. It is cases such as these that emphasis the importance of an exception process. As Express Scripts and AHIP representatives testified, exceptions are made in extreme and unique circumstances. However, it is important to ensure this process is streamlined and clinically based and available to all patients managing a chronic illness.

It is important to note step therapy has impacts beyond the patients' health. For instance, studies have shown that step therapy increases the administrative burden of medical providers. Physicians and their staff must spend time contacting insurance companies to determine if a drug will be covered, in addition to appealing denied treatments, which leaves less time for patient-centered healthcare. By some estimates, this increased administrative burden takes approximately two hours per patient.<sup>i</sup>

Today we will be hearing from various providers and their personal experiences of these impacts of step therapy.

Thank you again,

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<sup>i</sup> Yosipovitch, G., Step therapy stalls appropriate patient treatment, in Dermatology Times: Clinical Analysis for Today's Skincare Specialists 2015.