



November 16, 2021

Representative Deborah Ferguson
Assemblywoman Pamela Hunter
Representative George Keiser
Senator Jason Rapert
Health Insurance and Long-Term Care Issues Committee
National Council of Insurance Legislators

Submitted electronically to: Will Melofchik (wmelofchik@ncoil.org)

RE: NCOIL Accumulator Adjustment Program Model Act

Dear Assemblywoman/Committee Chair Hunter, Reps. Ferguson and Keiser, and Senator Rapert:

The Blue Cross Blue Shield Association (BCBSA) appreciates the opportunity to provide additional comments on the proposed National Council of Insurance Legislators' (NCOIL) "Accumulator Adjustment Program Model Act."

BCBSA is a national federation of 35 independent, community-based and locally operated Blue Cross and Blue Shield (BCBS) companies that collectively provide health care coverage for one in three Americans. For more than 90 years, BCBS companies have offered quality health care coverage in all markets across America – serving those who purchase coverage on their own as well as those who obtain coverage through an employer, Medicare and Medicaid.

As we stated in our July comment letter, BCBSA is aligned with NCOIL's overarching goal to improve consumer affordability of prescription drugs; however, we strongly urge that the model act is not adopted in its current form without further amendments focusing on creating greater transparency into prescription drug pricing and financial assistance. States like Oregon, Rhode Island and Arizona have adopted legislation with provisions to increase transparency in patient assistance programs. BCBSA believes the addition of similar transparency provisions to the NCOIL model would improve policymakers' and the general public's understanding of the nature of these financial assistance programs and their total cost to the health care system.

We have attached a proposed "redline" capturing a few suggested amendments to the model:

- BCBSA believes the scope of the model should be limited to drugs that have no lower-cost alternatives (e.g., generic equivalent or biosimilar) to prevent drug manufacturers from using financial assistance programs to drive patients toward higher-cost alternatives. If the committee chooses to not limit the scope, we have offered language to suggest pharmacy benefit managers provide information about what would be paid by the enrollee or on behalf of the enrollee at the generic drug level of cost-sharing.

- Oregon requires drug manufacturers to report the total value of financial assistance (through coupons, discounts, copay assistance or other reductions in costs) provided to consumers in the state to the Prescription Drug Affordability Board. Additional information on financial support provided to entities or nonprofits providing copayment assistance would offer a more complete understanding of drug manufacturer financial assistance. We believe this information should be reported to states to help provide clarity of the scope and effects of coupon assistance on the health care system and would assist with tracking year-over-year trends.
- A person without health insurance coverage should be permitted to use the same financial assistance programs offered by drug manufacturers as those with insurance coverage. BCBSA also believes the assistance should: (1) be offered for the duration of a plan year; (2) not be conditioned on enrollment in a specific health plan or type of health plan; and (3) include a consumer notification if assistance will be discontinued for a subsequent plan year.

We would like to thank you for your consideration to our comments. If you have any questions, please do not hesitate to contact Randi Chapman at Randi.Chapman@bcbsa.com or Paul Eiting at Paul.Eiting@bcbsa.com.

Sincerely,



Clay S. McClure
Executive Director, State Relations
Blue Cross Blue Shield Association