



February 22, 2021

The Honorable Zack Stephenson  
Chair, Minnesota House Commerce Finance and Policy Committee  
via Electronic Mail

Dear Chair Stephenson:

Our organizations, as members of the patient and provider community representing thousands of Minnesota patients and their families throughout the state, write to you today in strong support of House File 633. We ask you and the members of your committee to pass this critical legislation that seeks to improve patient access to care.

Thanks to innovative new medicines, many diseases that were once fatal are now being treated as manageable chronic conditions, and for other diseases, new medicines have greatly increased average life expectancy. But today, under many health insurance plans, patients living with serious and life-threatening diseases must pay thousands of dollars in out-of-pocket costs to access the medicines their health care providers have prescribed. This is true for medications used to treat cancer, multiple sclerosis, arthritis, HIV/AIDS, and other debilitating and life-threatening diseases. When cost-sharing becomes a barrier to access, patients find themselves facing difficult decisions about whether to take medically-necessary treatments or to risk the family's financial stability.

Authored by Representative Robert Bierman and co-authored by multiple DFL and Republican members, HF 633 would make it possible for patients to get the treatments they need while reducing their risk of going into debt or sacrificing necessities. It does so by giving consumers who purchase coverage on the individual and small-group markets the choice of buying a plan that restructures the out-of-pocket costs for prescription drugs, putting medically-necessary treatments within reach of Minnesota patients who are struggling to afford their treatments.

As drafted, HF 633 would require individual and small-group insurers to make a subset of plans available for purchase that include a pre-deductible, copay-only prescription drug benefit. The highest possible copay for these plans would be set at one-twelfth of the individual maximum out-of-pocket per plan year. For Minnesotans with chronic health conditions who rely on costly medications to preserve their health and lives, such a coverage option would mean an end to paying thousands of dollars in deductibles and coinsurance at the start of every plan year – making their expenses throughout the year consistent and predictable.

We have real-world experience to support our claim that HF 633 would help the patients we serve without impacting other consumers' insurance costs. Colorado issued a bulletin to implement a similar health benefit requirement in 2015, and adopted a formal regulation in 2018.<sup>1</sup> Their state Department of Insurance has confirmed to our organizations that (1) the premium differences between copay-only and non-copay products are small, (2) insurers continue to deliver a robust set of copay-only and non-copay product options across the state and at all metal levels, and (3) this regulation has had no demonstrable impact on the health of the state's markets and the ability of insurers to develop products and negotiate with drug makers.<sup>2</sup> These findings align with those of a 2017 Milliman actuarial study exploring the impact of copay-only benefit rules in Colorado and Montana,<sup>3</sup> and with publicly available SERFF filing data showing the premiums and actuarial values for Colorado's individual and small-group products year-over-year.<sup>4</sup>

In short, HF 633 will give Minnesota patients a coverage option that makes the drugs that keep them healthy and productive -- and in many cases alive -- more affordable, without disrupting health insurance markets or forcing this option on other Minnesotans who do not need this kind of coverage. We hope we may count on the support of your committee for this bill.

Please direct questions or requests to Dana Bacon, Regional Director of Government Affairs for The Leukemia & Lymphoma Society ([dana.bacon@lls.org](mailto:dana.bacon@lls.org), 612.308.0479).

Sincerely,

American Cancer Society  
Cancer Action Network  
Arthritis Foundation  
Cancer Legal Care  
Coalition of State Rheumatology Organizations  
Epilepsy Foundation of Minnesota  
Hemophilia Federation of America

The Leukemia & Lymphoma Society  
Minnesota Medical Association  
National Multiple Sclerosis Society  
National Psoriasis Foundation  
National Organization for Rare Disorders  
Susan G. Komen

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<sup>1</sup> Colorado Department of Regulatory Agencies, Division of Insurance, Colorado Insurance Regulation 4-2-58. <https://drive.google.com/file/d/1O5ahn2TLXaIEGZloOADRoRCNposXytLq/view>

<sup>2</sup> Colorado Division of Insurance letter to The Leukemia & Lymphoma Society, February 22, 2021.

<sup>3</sup> Milliman, Inc., July 2017. "Impact of Prescription Drug Copay Regulatory Action on ACA Exchange Plans in Colorado and Montana." <https://us.milliman.com/-/media/milliman/importedfiles/uploadedfiles/insight/2017/impact-prescription-drug-copay-guidance-co-mt.ashx>

<sup>4</sup> System For Electronic Rates & Forms Filing (SERFF) data for Colorado: <https://filingaccess.serff.com/sfa/home/CO>