

**Margaret Reynolds**  
State Government Affairs Principal

April 6, 2021

Representative Tina Liebling, Chair  
Health Finance and Policy Committee  
Minnesota House of Representatives  
100 Martin Luther King Jr. Blvd  
St. Paul, MN 55101



900 Cottage Grove Road, B6LPA  
Bloomfield, CT 06002  
651-341-3161  
[margaret.reynolds@Cigna.com](mailto:margaret.reynolds@Cigna.com)

Dear Chair Liebling and Committee Members:

Cigna is a national health insurance provider that has been on the front lines of providing patient access and coverage during the COVID-19 pandemic. Express Scripts is a pharmaceutical benefit manager (PBM) that cares for over 80 million lives in the United States. Together, Cigna and Express Scripts have created a new health services leader. The combined companies are increasing affordability, choice and predictability for our customers while enhancing care quality and producing better health outcomes.

We appreciate the ability to submit comments on the DE to HF2128 that the committee is considering. Our comments are primarily directed at the provisions that will significantly increase pharmaceutical costs to Minnesota consumers.

**Article 5, Sections 9, 12, 13, 22/HF1516 (Schultz):** We have worked with the author and advocates over the last year to try to come to resolution on this bill. Unfortunately, the language included in the DE does not address our concerns with coverage of products in a formulary. Formularies are essential and highly effective tools that Plans and PBMs use to help control drug spend. The term "equivalent coverage" (line 258.24) mandates charging the same amount for a reference biologic and biosimilar to our patient, regardless of any negotiated discounts we are able to acquire from the manufacturer and prohibits us ensuring the lowest net cost product is accessible to our patients.

**Article 5, Sections 8, 21/HF1257 (Cantrell):** This bill will undoubtedly increase costs for patients and employers who provide health care benefits to their employees. Based on a recent analysis, Milliman estimates that frozen formulary legislation in Minnesota alone would increase costs for payers by \$75 million over five years. The State and public programs require a quarterly formulary change so that they can maintain appropriate rebates. This legislation continues to set up a two-tier health care system that does not benefit Minnesotans and will only increase costs for those private payers.

**Article 5, Section 16/HF1158 (Acomb):** This bill was discussed at the March 24<sup>th</sup> meeting of the Board of Pharmacy. There were concerns raised with the language, therefore the Board did not vote to support the legislation, rather they voted to allow Dr. Wiberg to continue to work with the author to further refine the language to better reflect cold-chain technology. Concerns included the efficacy of temperature monitoring strips, including false-positive and false-negative readings leading to pharmaceutical waste, and the overly broad language of the bill as it does not narrow the scope to cold-chain and insulin products as discussed at the Board. Additionally, the language only address one segment of the supply chain. When considering temperature monitoring of prescription drugs, it should be inclusive of wholesalers, manufacturers, and retailers. The language included in the DE has not changed from introduction, and does not address the concerns raised at the Board of Pharmacy meeting. If these concerns are not addressed, the language could actually compound the problem it is trying to solve.

Sincerely,

Margaret Reynolds, State Government Affairs Principal

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