



March 9, 2022

The Honorable Tina Liebling
 Chair, Minnesota House Health Finance and Policy Committee
 via Electronic Mail

Subject: Support for HF 3717 and its provisions to address out-of-pocket costs for patients

Dear Chair Liebling and members of the Committee:

Our organizations represent thousands of Minnesotans in patient advocacy, medicine, pharmacy services, oncology, and rural health who are committed to improving access to the best possible care for serious, acute, and chronic health conditions. With this goal in mind, we urge your committee to support the copay-only bill language in HF 3717 inspired by HF 633 (Bierman) and SF 365 (Nelson).

This language would give consumers who purchase coverage on the individual and small-group markets the option of buying a plan that restructures the out-of-pocket costs for prescription drugs. The table below outlines the practical value of copay-only benefits for a patient with a \$5,000/month prescription.

| | Patient A: 40% coinsurance, \$3,000 deductible, \$8,400 annual cap | Patient B: copay-only plan, \$3,000 deductible, \$8,400 annual cap (HF 633/SF 365) |
|------------------------------|---|---|
| January | \$3,800 deductible plus coinsurance | \$700 copay |
| February | \$2,000 coinsurance | \$700 copay |
| March | \$2,000 coinsurance | \$700 copay |
| April | \$600 coinsurance, hits annual cap | \$700 copay |
| May – December | No payments on prescriptions | \$700 copay monthly until annual cap |
| Total paid to insurer | \$8,400 plus premiums | \$8,400 plus premiums |

During hearings on this bill in the spring of 2021, opponents of HF 633 requested an actuarial analysis of the proposal before its adoption. The Commerce Department published such an analysis in January and confirmed our claims regarding HF 633. The Department report stated that copay-only benefits would reduce financial barriers for consumers and would positively impact public health by promoting stronger prescription compliance; the report also said these benefits could be provided without impacting consumers who choose not to purchase this type of benefit package.¹ As Department staff told House Commerce committee members on February 9: “We would expect any premium increase to be low and it would be specific to the copay-only plans themselves.”

We want to thank this committee for hearing HF 633 and including the language in the House Health budget bill last session, and we want to thank Representative Stephenson for championing HF 633 as part of HF 3717. With your renewed support and with fresh evidence of the value of HF 633 to patients, we hope the copay-only proposal will become part of state law this spring.

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

Sincerely,

The Aliveness Project
American Cancer Society Cancer Action Network
Arthritis Foundation
Association for Clinical Oncology
Autoimmune Association
Cancer Legal Care
Epilepsy Foundation of Minnesota
Hemophilia Federation of America
The Leukemia & Lymphoma Society
Minnesota Cancer Alliance
Minnesota Medical Association

Minnesota Pharmacists Association
Minnesota Rural Health Association
Minnesota Society of Clinical Oncology
NAMI Minnesota
National Multiple Sclerosis Society
National Organization for Rare Disorders
National Psoriasis Foundation
Rainbow Health
Susan G. Komen
Twin Cities Medical Society

Cc: Representative Zack Stephenson
Representative Robert Bierman
Senator Carla Nelson

¹ Evaluation of HF633-1E, Report to the Minnesota Legislature pursuant to Minn. Stat. §62J.26. January 26, 2022.
<https://www.house.leg.state.mn.us/dflpdf/r72zdFdKgEOap01HCyFR8w.pdf>