



Margaret Reynolds
Government Affairs Principal

February 7, 2023

6625 W 78th Street
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Senate Human Services Committee
600 E Boulevard Ave
Bismarck, ND 58505

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Chair Lee and members of the Senate Human Services Committee:

On behalf of Cigna, I respectfully submit testimony regarding [SB2378](#). Cigna is a global health services company dedicated to improving the health, well-being and peace of mind of those they serve. Cigna delivers choice, predictability, affordability and access to quality care through integrated capabilities and connected, personalized solutions that advance whole person health.

The clinician-administered drugs, aka white bagging, bill will negatively impact patient care by limiting health plans' ability to leverage the specialized expertise of specialty pharmacies to treat complex and rare conditions. By virtue of how rare some of these diseases are, providers who treat patients with rare conditions often have limited treatment experience. Specialty pharmacies, in contrast, treat significantly more patients and have clinical staff trained in these conditions.

Accredo, a Cigna company, is an industry-leading specialty pharmacy providing highly personalized care nationwide to patients with complex and chronic health conditions. Accredo employs approximately 500 condition-focused pharmacists and 350 proprietary clinical protocols to ensure patients are taking the right medication and staying adherent. Its 15 condition-specific Therapeutic Resource Centers are pharmacy practices that specialize in caring for members with the most complicated and costly condition categories, including immune disorders, blood disorders, and rare diseases/gene therapies. For those who need the highest degree of clinical support, this unique pharmacy model enables members and their caregivers to engage with highly trained, highly trusted specialist pharmacists and nurses that provide personalized care, conduct sophisticated safety and quality reviews, and offer the information and counseling patients need to achieve healthier outcomes. White bagging is, at its core, a tool utilized by health plans and clients that leverages specialty pharmacies to safely distribute certain drugs to help improve affordability.

It should be noted that specialty medications are the largest and fastest-growing segment of the U.S. pharmacy market.¹ And while only four percent of Americans use specialty drugs, they account for 65%

¹ Anderson, Leigh Ann. Specialty Pharmacy and Medicines: A One-to-One Approach. Drugs.com. 7, May, 2021

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of total drug spend and 19% of total health care spend.² As the costs of these drugs rise, it will continue to make it more difficult for patients to afford care. This bill would limit health plans' ability to leverage innovative solutions like white bagging that make prescription drugs more affordable while protecting patient safety and improving care.

Provider-administered infusions and injections that are included in Cigna's white bagging policies cost an average of nearly \$509,000 per patient per year in hospital outpatient facilities according to Cigna's internal data. Our white bagging policies cut those costs by nearly \$253,000 per patient per year while allowing patients to continue care with their same provider and maintaining our high standards for affordable, quality care.

Overall, this bill will increase the cost of care by protecting provider mark-ups of specialty medications and depriving plans of cost saving site of care tools.

Sincerely,

Margaret Reynolds
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² Cigna National Trend Report, 2022