

January 29, 2025

The Honorable Judy Lee  
Human Services Committee

Via Online Testimony Submission: <https://ndlegis.gov/legend/committee/testimony/public-testimony/4082/?hearing=10569>

**RE SB 2248: A BILL for an Act to amend and reenact section 19-02.1-16.3 of the North Dakota Century Code, relating to step therapy protocols; to provide for a report to the legislative assembly; to provide for application; and to provide an expiration date: Oppose**

Dear Chair Lee and Members of the Senate Human Services Committee:

Thank you for the opportunity to comment on SB 2248. I represent Prime Therapeutics (Prime), a pharmacy benefit manager (PBM) owned by 19 not-for-profit Blue Cross and Blue Shield Insurers, subsidiaries, or affiliates of those Insurers, including Blue Cross & Blue Shield of North Dakota. SB 2248 seeks to restrict step therapy protocols for “associated conditions” for metastatic cancer, which is defined as a symptom or side effect associated with metastatic cancer or its treatment. It is for this reason that Prime Therapeutics opposes this bill.

Prime helps people get the medicine they need to feel better and live well by managing pharmacy benefits for health plans, employers, and government programs including Medicare and Medicaid. Our company manages pharmacy claims for more than 30 million people nationally and offers clinical services for people with complex medical conditions. Our business model relies on transparency and advocating for simpler, lowest-net-cost pricing for drugs. Importantly, Prime is not focused on driving profit margins. To control costs, Prime’s clients rely on our clinical expertise and drug management tools, such as step therapy.

Prime fully recognizes the need to put all patients first when it comes to care, and Step Therapy is way to do this. Providing an exception to Step Therapy for “associated conditions” as defined in this bill will make it difficult to control costs and care for the entire insured population in North Dakota. We believe in the clinical value of Step Therapy, which is why we are in opposition.

### **Step therapy programs promote use of safe and cost-effective drugs.**

Step therapy programs are clinically based, cost-effective programs used by insurers to encourage use of existing, highly effective, and safe medications before “stepping up” to high-cost drugs.

#### *Step therapy programs:*

- Encourage more appropriate use of medicines which may be prone to abuse, misuse.
- Encourage use of cost-effective first line therapy that is therapeutically equivalent and clinically appropriate
- Hold down out of pocket drug costs for North Dakota citizens, plan sponsors (i.e. employers), and insurance plans.
- Step therapy may be used to reduce the risk of overmedication, prescription drug abuse, and addiction.

### **Costs**

As mentioned above, Step Therapy is a tool used to control costs for the entire insured population. Making exceptions to Step Therapy can put the cost on the back of the rest of the insured population through premium increases due to the responsibility of the insurance company to limit risk to their entire population. It’s important to note that an increase in costs can lead to issues with medication adherence and/or health care in general. When a person can no longer afford their premiums, that person cannot seek the treatment/medication

they need.

Respectfully,



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