March 21, 2013  
Reference No. SASC 13011 FL HB 1003

The Honorable Janet Cruz  
218 House Office Building  
402 South Monroe Street  
Tallahassee, FL 32399

RE: Letter of Support for HB 1003, Prescription Drug Benefit Plans

Dear Representative Cruz:

The Plasma Protein Therapeutics Association (PPTA) extends its strong support for HB 1003, Prescription Drug Benefit Plans, which places a moratorium on specialty tiers while the Agency for Health Care Administration conducts a study regarding specialty-tier prescription drugs to determine the impact on access and patient care. This bill is a step in the right direction for individuals who rely on plasma protein therapies.

PPTA is the primary advocate for the world's leading Source plasma collectors and the producers of plasma-derived and recombinant analog therapies, known collectively as “plasma protein therapies”. Plasma protein therapies are not interchangeable, and there are no generic substitutes. In fact, the FDA classifies all biologics, including plasma protein therapies as sole source rather than multi-source or generic. Individual therapies are approved by the FDA for specific clinical indications. The needs of each patient are unique, and patients respond to the same treatment differently based upon their own individual medical circumstances. The ability to tolerate a specific treatment over time may also change requiring careful monitoring of any treatments.

The therapies produced by PPTA members treat rare, life-threatening diseases and disorders. Lifesaving therapies produced by PPTA members include clotting factor therapies for individuals with bleeding disorders, immunoglobulins (IG) to treat complex diseases in persons with compromised immune systems and neurological disorders, and therapies for individuals who have alpha-1 anti-trypsin deficiency, which typically manifests as adult onset chronic obstructive pulmonary disease and substantially limits life expectancy.

Unfortunately it appears health plans are using specialty tiers to require individuals with rare, chronic conditions, such as the ones above, to pay a greater share of the cost for their pharmaceuticals than those recipients who need more common chemical-based pharmaceuticals. This practice can be financially devastating for these individuals. Specialty tiers usually use coinsurance as a way to determine the recipient’s share of cost. Coinsurance is a percentage. It can be as high as 25%. When you consider the annual cost for some plasma protein therapies is $100,000 per year or more, then the
recipients could be asked to $25,000 a year on the high impact, life-saving plasma protein therapy.

This practice is also contrary to the basic principle of group health insurance. The idea with group health insurance is that you pool large populations of people together to share in the risk of their health care costs. Those who are healthy end up subsidizing the sick. This practice segregates the sick from the healthy. PPTA considers this practice a poor policy in United States healthcare and one that will cause access issues for individuals the sickest amongst us.

Therefore, we commend your plan to place a moratorium on the practice in the state while studying the impact of specialty tiers on patient access to pharmaceuticals. If you should have any questions, comments, or concerns, please let me know. I may be reached at bspeir@pptaglobal.org or 443-433-1110.

Best Regards,

Bill Speir, Director of State Affairs

cc: Chairman John Wood