



May 12, 2020

Honorable Chad Brown  
Louisiana House of Representatives  
Box 94062  
Baton Rouge, LA 70804

**Re: Support for HB 263**

Dear Chairman Brown and Members of the House Insurance Committee,

On behalf of the 1-in-10 individuals in Louisiana with one of the approximately 7,000 known rare diseases, the National Organization for Rare Disorders (NORD) thanks you for your service during these trying times. Today we write to submit testimony in support of House Bill 263 (HB 263), legislation that would update the state's step therapy law.

NORD is a unique federation of voluntary health organizations dedicated to helping people with rare "orphan" diseases and assisting the organizations that serve them. We are committed to the identification, treatment, and cure of rare disorders through programs of education, advocacy, research, and patient services.

Step therapy is a procedure by which insurers (public or private) require patients to take one or more alternative medications before being put on the medicine preferred by their provider. While this is done by insurers as an attempt to control health care costs, it can often be applied inappropriately, without consideration of the clinical practicalities. As a result, these requirements can delay appropriate treatment because navigating an appeal can be confusing and time consuming for patients and their healthcare providers, sometimes taking weeks or even months. This process of prolonging ineffective treatment and delaying access to the right treatment – especially for patients living with serious or chronic illnesses – can lead to medical setbacks, disease progression, loss of function and even hospitalizations.

A decade ago, Louisiana was the first state to address step therapy/fail first practices employed by health insurance companies. Since then, more than 20 states, including Texas, have followed Louisiana's lead. However, some of those newer state laws have brought to light challenges with Louisiana's current statute, listed below, that would be updated and clarified through HB 263:

- Ensure step therapy protocols are based on widely accepted medical and clinical guidelines.
- Create a clear and expeditious process to request a medical exception by requiring a response by the patient's health plan within 72 hours for a non-emergency and 24 hours for emergency situations. Right now, there is no requirement for if/when an insurer must respond to an exception request.



- Provide comprehensive patient protections to enable a patient and provider to override a step therapy protocol when the required drug: 1) is likely to cause an adverse reaction of physical or mental harm; 2) was previously tried and discontinued due to lack of efficacy, diminished effect or an adverse event; 3) is not in the best interest of the patient based on medical necessity; and 4) if the patient is currently stable on a medication prescribed by their health care provider whether from their previous or current health plan.

The reasonable updates in HB 263 will not require a health plan to cover any prescription drug not already on the formulary and do not make any changes to the benefit design, formulary coverage, tiering of drugs or out of pocket requirements. Under HB 263, insurance companies will still be able to utilize step therapy without limiting the number of steps and they also will still be able to require prior authorization and generic substitution of a drug if it is equivalent to the brand-name prescription.

During the COVID-19 pandemic, it has become evident that people with chronic conditions and compromised immune systems are at higher risk of complications or death from infection. Unnecessary barriers to appropriate treatments for their underlying conditions make it more likely that these patients could need additional medical interventions or even hospitalization, placing additional burdens on an already strained healthcare system.

Now is a logical time to update the state's step therapy law to avoid some of the unnecessary burdens that could be prevented with appropriate and timely care. On behalf of all the patients who would benefit from these proposed step therapy updates, we ask you to support HB 263 when it comes to a vote on Wednesday.

Thank you for your consideration of our request and for the opportunity to comment on this legislation. For further questions, please do not hesitate to contact me at [hross@rarediseases.org](mailto:hross@rarediseases.org).

Sincerely,

Heidi Ross  
Director of State Policy  
National Organization for Rare Disorders

Greta Gladney  
Volunteer State Ambassador  
Louisiana Rare Action Network

CC: Members of the House Insurance Committee