June 19, 2018

The Honorable Jim Wood
Chair, Assembly Committee on Health
State Capitol, Room 6005
Sacramento, California 95814

RE: Support SB 1021 (Wiener) – Prescription Drugs

Dear Chair Wood and Members of the Committee on Health,

The National Psoriasis Foundation (NPF) is a non-profit organization with a mission to drive efforts to cure psoriatic disease and improve the lives of those affected. The National Psoriasis Foundation is the leading patient advocacy group for more than 8.3 million Americans and the roughly 1,383,900 California residents living with psoriasis and psoriatic arthritis. I write to you today to express our support for SB 1021, to continue an existing law which reigns in high out-of-pocket costs for prescriptions critical in treating chronic and serious illnesses.

Psoriatic disease is associated with numerous other serious, chronic, and/or life-threatening comorbid conditions. People with psoriasis have significantly higher healthcare resource utilization and costs than the general population. High out-of-pocket costs significantly impact a patient’s access to care. A 2017 study of data collected from NPF surveys found that although roughly 89% of patients with psoriasis or psoriatic arthritis were covered by insurance, a little over half spend more than $2,400 per year in out-of-pocket costs for their disease. In fact, 39% of patients spend more than $200 per month toward cost-sharing obligations. When facing high out-of-pocket costs, patients do not use their medications appropriately; skipping doses in order to save money or abandoning treatment altogether. According to several studies, prescription abandonment rates increase significantly when cost-sharing exceeds $100.1

SB 1021 would extend current law to help alleviate the high out-of-pocket costs associated with chronic diseases by capping copays on a monthly supply of any prescription drug and preventing health plans from placing drugs on more expensive tiers in response to high manufacturer list prices. $250 for group or individual health plans, with respect to bronze level plans at $500 for a 30-day supply.

This legislation would continue to aid patients with high out-of-pocket costs in accessing and maintaining their treatments. We thank you for attention on this important matter and support the passage of SB 1021. Should you have any questions for NPF regarding this issue please contact Brittany Duffy-Goche, State Government Relations Manager (bduffy-goche@psoriasis.org).

Sincerely,

Randy Beranek
President and CEO

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