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June 20, 2019

Assistant Commissioner Marie Zimmerman
Minnesota Department of Human Services
540 Cedar Street
St Paul, MN 55155

VIA EMAIL

Dear Assistant Commissioner Zimmerman:

As you are aware, the health plans are very concerned about the Department of Human Services' (DHS) decision to implement a uniform preferred drug list (PDL) and have raised these concerns with DHS in several forums. As we move closer to the July 1, 2019 implementation date, we reiterate and expand our concerns below. We expect around 55,229 people who have coverage through Council member health insurers will need to change medications. In total these individuals take 73,767 prescriptions.

In addition to our fundamental concern about increasing overall costs associated with the move to a uniform preferred drug list program, we are particularly concerned about the following four issues:

1. **Transition support for individuals.** The delay in receiving the final PDL, combined with the cumbersome format, leaves little time to implement the formulary changes. We are particularly concerned with the lack of simple strategies to give people more time to adjust to the benefit changes. Council members recommend allowing an additional refill of previously provided prescriptions, additional time for providers to update prescriptions and additional time for people to appeal changes.

Further complicating this transition is the fact that it occurs during a summer holiday week when staffing levels may be low in offices, clinics and pharmacies. The holiday increases the chance that people will leave the pharmacy without a needed medication while the additional administrative work occurs between pharmacies and prescribers.

2. **Costs to individuals.** The Council's member companies are sending letters and reaching out to individuals who will need to change medications. However, even with extensive outreach efforts, we know people will be surprised by the changes to their prescription drug benefits. Some of them will face higher copays and other surprises.

We are particularly worried about Minnesotans who may pay more because they must switch from a non-preferred generic to a preferred brand-named prescription drug. People who take insulin or need inhalers to treat asthma will be especially affected by the July 1 changes. We are also concerned about those who may face changes in medical equipment and supplies, such as diabetes glucometers and test strips.

Although pharmacies or others may absorb the difference between the generic and brand name drug copays, the limited information from DHS on this issue created confusion. People are unclear how to help Minnesotans directly affected by these formulary changes understand the possible increase in their financial responsibility.

3. **Communication to all who help people get the care they need.** Providing care to Minnesotans in the state's public programs is a collective effort by managed care organizations, counties, providers and patient advocates. Meaningful, timely and coordinated communication of significant benefit changes is critical in ensuring that Minnesotans receive the quality care they deserve. However, it is not clear from existing DHS communications what steps the Department is taking to prepare organizations such as the Senior LinkAge Line, counties, Disability Hub MN and others that help members daily.

We are concerned that limited engagement and overall lack of transparency with the public and other key entities that support members will lead to confusion for all involved. For example, based on our preparation work, we are finding that there is still a misunderstanding within the community that the uniform PDL will result in each health plan having an identical drug list. This is not accurate, as health plans' full drug list will continue to be company-by-company decisions.

4. **Information needed. Our member companies are doing everything they can** to successfully implement the state's uniform PDL. However, the information provided to MCOs is not sufficient to ensure accurate implementation of the uniform PDL. The final PDL was only provided to the MCOs in late April via PDF with no National Drug Codes (NDC). Further, the online NDC match DHS provided does not correspond with information provided in the PDF. This makes it difficult for companies to consistently interpret DHS's intent.

The precise effect on Minnesotans and the overall cost to the system of this significant change by DHS remains unclear. We again encourage DHS to delay implementation until January 2020 when more people are anticipating changes to their benefit. A delayed implementation date will give all involved more time to work with the more than 55,000 Minnesotans and the various individuals who support them. It would also give DHS more time to provide information to the public about the impact on Minnesotans overall.

Sincerely,

A handwritten signature in black ink that reads "Patsy Riley". The signature is written in a cursive style with a large, looped initial "P" and "R".

Patsy Riley
Interim President and CEO

CC:
Julie Marquardt
Chad Hope
Dave Hoang