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Date: January 19, 2016

To: Chairman Shirkey, Senate Health Policy Committee and Committee Members

From: Andrew R Schepers, Director, Michigan Government Relations, ACS CAN

Re: Testimony in support of HB 4812

Thank you Chairman Shirkey and members of the committee for the opportunity to testify. I'm Andrew Schepers, with the American Cancer Society Cancer Action Network. ACS CAN is the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society. We support evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem.

I am here today to express our support for the House Bill 4812, Representative Bizon's bill relating to prescription biologic products. The development of biologic drugs has provided cancer patients and their physicians with access to improved therapeutic options. Biologic drugs are some of the most expensive cancer drugs on the market today. However, as generics have done for small-molecule drugs, interchangeable biosimilars have the potential to increase price competition on older biologic drugs, and result in lower cost burdens for cancer patients.

In order for biosimilars to provide increased access and affordability through competition, state pharmacy laws have to be amended to create the ability for biosimilar substitution at pharmacies. As biosimilar policies are developed, they must focus on ensuring the safety and efficacy of all biologic drugs, whether the original innovator or biosimilar, and policies must also ensure access and affordability of biosimilars for cancer patients.

We appreciate that this bill limits biosimilar substitution to products that the Food and Drug Administration (FDA) has designated as an interchangeable biologic drug product. ACS CAN agrees that pharmacy substitution should only happen under the circumstance where the FDA has deemed a product to be interchangeable. We further agree with the proposal to allow physicians the ability to prevent substitution, via prescription instructions, of products other than those prescribed by name.

In addition, we are supportive of making physician notification and requiring a 5-business-day timeframe for reporting. Biologics are manufactured in living organisms,

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and are therefore much more complex than manufactured pharmaceutical generics. In addition, biosimilars are not necessarily exact replications of their reference biologic product and as such, a patient's response may be different to the substituted product. As you can imagine, patients undergoing treatment to fight cancer can be on a variety of both biologic products as well as traditional small-molecule drugs. In the event of an adverse reaction, it will be important to have a timely and accurate record of any biologic or biosimilar dispensed to a patient.

As interchangeable biologics are approved by the FDA, patients and their providers need a safe and transparent process by which they can receive access to these medications. By creating a new pathway for biologic substitution where none currently exists in Michigan, this legislation enhances patient access to new and potentially less costly medications. We urge you to support House Bill 4812 to ensure prompt physician notification of interchangeable biosimilar substitutions and timely, accurate medical records. Thank you, again, for the opportunity to testify on this important legislation.

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