

February 16, 2016

MEMO TO: Senate Health Policy Committee

MEMO FROM: Rose Ramirez, MD, President

RE: House Bill 4812 (S-1)

On behalf of the Michigan State Medical Society, I am writing to express our concerns regarding the changes made to House Bill 4812 that would change Michigan law with respect to biosimilars and interchangeable biosimilars. Biosimilars represent an important treatment option for patients and physicians. As is the case with generic pharmaceuticals, biosimilars are often significantly less costly than their branded counterparts. It should be noted that biosimilars are already broadly accepted by physicians, and used when clinically appropriate. Health plans and physician groups already engage in programs to increase the use of generic drugs in an appropriate fashion. Likewise, physicians welcome discussions with their patients to find a less costly alternative if one is available.

As passed in the House, HB 4812 follows the FDA guidelines that only interchangeable biosimilars should be substituted. Physicians will maintain the option to include “dispense as written” on a prescription. Pharmacists have the ability to consult with a physician to have the prescription changed if requested by the patient or insurer. Insurers have broad latitude to craft benefit designs and formularies that favor biosimilars over their branded counterpart. None of these options would have been altered by House Bill 4812, as passed by the House. House Bill 4812 (S-1) chooses to forgo all of the existing pathways available to patients, physicians, insurers, and pharmacists in favor of a default that almost entirely removes the physician and the patient from the equation. The S-1 version adds language that appears to default to interchangeable biosimilars when one is available regardless of clinical judgment of the physician and provide pharmacists and insurers broad latitude with respect to choosing the therapeutic treatment for the patient.

House Bill 4812, as passed by the House, did not somehow limit access to biosimilars or interchangeable biosimilars. House Bill 4812, as passed by the House, continued to require that decisions about whether to use a biosimilar or a branded version be made as part of the physician-patient relationship as opposed to the relationship between the pharmacist and the insurance company. The changes made in the S-1 version of House Bill 4812 prioritize the interests of the insurer and pharmacists for both interchangeable biosimilars and biosimilars. In conclusion, The changes made in the S-1 version of the bill shift the choice of therapy away from the physician and the patient and remove transparency between the patient and his or her physician in favor of a level of convenience and savings for pharmacists and health plans. It is for this reason that MSMS does not support the changes made to the bill in the S-1 version.