



## ISSUE

# Prohibit insurers from forcing patients to switch medications mid-year

### MMA Position

Ensure patients can access their medications by prohibiting health plans and pharmacy benefit managers (PBMs) from changing drug formularies during a patient's health insurance contract year.

### Background

For many patients, but especially those with chronic conditions, finding a medication that works effectively can be difficult, time-consuming, and may take extensive consultation with their physician. Once a patient and physician find an effective treatment plan, patients will often choose their health insurance plan based on whether the plan covers their needed medications. Yet, insurers or PBMs are not held to the same standard. They can change their drug coverage at any point in the insurance contract year. This can lead to delays in care, unexpected and increased expenses, and overall worse health outcomes. These mid-year formulary changes must be prohibited.

Insurance companies or PBMs will change their formularies throughout the year for their own financial reasons. This practice is sometimes called “non-medical switching.” It forces patients to change drugs with very little notice and will often lead to pauses or stoppages in prescribed treatments. Mid-year formulary changes can endanger patient health and should not be allowed until the end of a contract year.

This legislation would not prohibit all mid-year formulary changes. It would only limit them if a patient is on a drug that is working. Because patients cannot change their insurer in the middle of the year, insurers should not be able to change drug formularies until the contract year has expired.

In addition to limiting mid-year formulary changes, patients and physicians would benefit from a “real-time-benefit tool.” This provides updated formulary and benefit information to inform physicians immediately whether a prescribed drug is covered.

While formularies and preferred drug lists can have a role in reducing costs, this must be balanced with the right of patients to receive the coverage they signed up for and the care they need. The proposed legislation is a balanced approach because it only applies to a patient who is currently receiving a drug therapy. Nothing in the bill would prohibit PBMs and insurers from changing formularies for all other enrollees.

### Talking Points

- Patients deserve to have access to the effective medications that were covered when they enrolled.
- Patients are bound to the terms of the contract with a health insurer, yet nothing in state law prohibits the insurer or PBM from changing the patient's drug coverage for medications they are already on, even in the middle of a contract year.
- This bill balances the need for cost-controlling measures, with the rights of patients to receive the medications they need and expected to receive as part of their treatment.