



December 19, 2014

Jim Freeburg
Washington State Office of the Insurance Commissioner
5000 Capitol Blvd SE
Tumwater, WA 98512

VIA EMAIL: jimf@oic.wa.gov

Re: *Draft Incentive Payment Formulary Transparency*

Dear Mr. Freeburg:

On behalf of the Washington State membership of the Alliance for Patient Access, a national network of more than 700 physicians working to ensure patients have access to approved therapies and appropriate clinical care, I am writing to urge the inclusion of a provision requiring pay-to-prescribe disclosure in the Formulary Transparency regulation.

Since its inception, AfPA has made comment on numerous policy proposals and local coverage determinations that impact patient access and safety. AfPA contends that health policy must be shaped in a manner that recognizes the primacy of the physician-patient relationship and preserves patient access to care by respecting physician clinical decision-making. Essential to that relationship is the trust the patient has in his or her physician to exercise their best professional judgment in prescribing a course of care. Unfortunately, that relationship is undermined when coverage policies effectively step between a physician and a patient as the health plan seeks to direct the course of care.

Specifically, I am writing to express concern that recent "pay for performance" measures have the effect of forcing physicians to comply with generic metrics that are population-based and do not take into account patient preferences or a physician's own experience and judgment about a course of therapy. It has been noted, there may be a chilling effect on physicians in prescribing medications to a patient that do not conform to these overly broad and standardized measures.

Aptly described in a recent New York Times op-ed, "It is not just treatment targets but also the particular medications to be used that are now often dictated by insurers. Commonly, this is done by assigning a larger co-payment to certain drugs, a negative incentive for patients to choose higher-cost medications. But now some insurers are offering a positive financial incentive directly to physicians to use specific medications. For example, WellPoint, one of

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the largest private payers for health care, recently outlined designated treatment pathways for cancer and announced that it would pay physicians an incentive of \$350 per month per patient treated on the designated pathway.”¹

A patient’s treatment plan should be the result of his or her physician’s experience along with the knowledge of appropriate dosing, possible drug or therapeutic interactions, and the patient’s other illnesses and medical history. External factors, such as “pay to prescribe” incentives should not be among the factors considered when determining the course of treatment. To ensure full transparency between patient, provider and payer, AfPA urges that the final regulation include the proposed formulary transparency language as it will serve to further the trust fundamental to the physician-patient relationship.

Thank you for the opportunity to provide comment and I appreciate your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Kennedy".

Brian Kennedy, Executive Director

¹ Hartzband, Pamela and Groopmannov, Jerome. “Op-Ed; How Medical Care is Being Corrupted.” *The New York Times* 18 Nov. 2014.