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April 8, 2016

The Honorable Jim Wood
Chair, California Assembly Committee on Health
State Capitol, Room 6005
10th and L Streets
Sacramento, CA 95814

The Honorable Ed Hernández
Chair, California Senate Committee on Health
State Capitol, Room 5108
10th and L Streets
Sacramento, CA 95814

Via E-mail only

Dear Assembly Member Wood:

The California Health Benefits Review Program (CHBRP) was asked by Assembly Health Committee staff on March 17, 2016 to provide a letter for the upcoming Health Committee hearing noting any analysis pertinent to the amended language of Assembly Bill 2050 (Steinorth) *Prescription Drug Refills*. Because analysis of a similar mandate was recently completed, CHBRP is able to provide this letter within the constraints of a short turn-around time.

The March 18, 2016 amended version of AB 2050 would require health plans regulated by the California Department of Managed Care (DMHC) and health insurers regulated by the California Department of Insurance (CDI) to create a synchronization policy that would allow enrollees to align prescription drug refill dates, should the enrollee have multiple prescriptions to refill. This requirement is similar to one of several provisions proposed by a 2014 bill CHBRP analyzed, AB 2418 (Bonilla and Skinner) Prescription Drug Refills. Like AB 2050, AB 2418 would have required plans and insurers to cover prescription drug refills intended to synchronize refill dates. For example, if one prescription is due to be refilled on May 1st and another on May 15th, the bill would require that coverage be available for both to be refilled on May 1st even though the second was not yet due for refill.

The following findings from CHBRP's analysis of AB 2418 seem useful for consideration of AB 2050.

- **Medical Effectiveness:** in 2014 CHBRP identified only one study that provided evidence for or against refill synchronization. That study found medication adherence improved for patients with all drug refills synchronized in comparison to patients with no refill synchronization. However, because of the limited literature on this topic and CHBRP's protocol for evaluating the weight of evidence of the literature, CHBRP found the evidence to be *insufficient* to make a determination on effectiveness. Please note: insufficient evidence is not evidence of no effect.

- Benefit Coverage, Utilization, and Cost Impacts: in 2014, CHBRP estimated that 44.5% of persons enrolled in a DMHC-regulated plan or a CDI-regulated policy might be denied refill coverage when seeking to synchronize multiple refills. Although neither current refill synchronization nor any postmandate impact could be estimated, given that (1) pharmacists can dispense less than standard supply of one or more drugs in order to synchronize refill schedules, and given that (2) plans and insurers usually allow refills as soon as 74% of projected use (e.g. so day 22 of a 30 day supply), CHBRP noted that the additional statewide cost (in the first postmandate year) for refill schedule synchronizing would be minimal. As a result, CHBRP anticipated that the financial impact would be minimal if the refill synchronization provision were enacted.
- Public Health Impacts: in 2014, due to insufficient evidence of medical effectiveness, the impact on health outcomes in the first year post-mandate was considered to be unknown.
- Essential Health Benefits: in 2014, because the refill synchronization provision would specify a condition on the terms of existing benefit coverage (but not require new benefit coverage), CHBRP noted that it would not directly exceed essential health benefits (EHBs).

Although the above points are from a 2014 analysis, they are relevant to a 2016 consideration of AB 2050. CHBRP's full 2014 analysis of AB 2418 can be accessed [here](#).

Thank you for allowing CHBRP the opportunity to further assist the Assembly Health Committee. We are available to answer any questions at the Committee's convenience, and will be present at the April 19th scheduled hearing.

Thank you.

Sincerely,



Garen L. Corbett, MS
Director, CHBRP
University of California, Office of the President

cc: Assembly Member Steinorth, Author of AB 2050, *Prescription Refill Synchronization*
Senator Kevin de León, President Pro Tem of the Senate
Assembly Member Toni Atkins, Speaker of the Assembly
Assembly Member Brian Maienschein, Vice Chair, Assembly Committee on Health
Assembly Member Jimmy Gomez, Chair, Assembly Committee on Appropriations
Assembly Member Frank Bigelow, Vice Chair, Assembly Committee on Appropriations
Senator Janet Nguyen, Vice Chair, Senate Committee on Health
Senator Ricardo Lara, Chair, Senate Committee on Appropriations
Senator Patricia Bates, Vice Chair, Senate Committee on Appropriations
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