



TO: The Honorable Members of the PA House of Representatives

FROM: Gene Barr, President and CEO

DATE: March 28, 2018

RE: S.B. 936 -- From a healthcare perspective

S.B. 936 directs the Department of Labor & Industry to select a prescription drug formulary for workers' compensation. Formularies are standard in healthcare (including legislators and your staff) – medication and dosage amounts that are FDA-approved and demonstrated to be effective and appropriate are pre-approved. Other prescriptions can be authorized. In S.B. 936, this is done through a process determined by L&I.

There's absolutely no doubt that someone considering this bill strictly from a healthcare perspective would conclude that S.B. 936 should pass the legislature and be enthusiastically signed by the Governor.

For example, at a March 20th Senate Committee hearing, the Governor's nominee for Secretary of Human Services agreed that drug formularies are a "valuable and necessary tool in administering" private insurance and public programs like CHIP and Medicaid, saying "I think our experts would say that that's the case. Yes." The administration also recently directed insurers to enhance prior authorization of opioids in commercial insurance and Medicaid and has championed prescribing guidelines and stronger pre-authorization in numerous areas of healthcare, all of which already utilize formularies.

Perhaps most relevant was testimony during a Feb. 2017 hearing on this very workers' compensation drug formulary legislation in which the Department of L&I expressed support for "this proposal's basic objectives; to ensure that injured workers receive prescription drugs that are appropriate for their injuries..." They also offered constructive suggestions, which have been incorporated into S. B. 936.

Someone considering this bill from a healthcare perspective would likely be surprised it's not yet passed and signed into law. So what makes workers' comp so different from other types of health coverage?

In this case, opposition to this bill is led by a coalition of interests whose activities were questioned in a [Philadelphia Inquirer series](#), which alleged a practice of peddling medications that are not FDA-approved; what the paper described as "unproven and exorbitantly priced pain creams to injured workers—some creams costing more than \$4,000 per tube." Others in the article described this arrangement as "an unholy alliance" and one that is "ripe for corruption." These opponents are deliberately causing confusion with baseless talking points about "getting in between doctors and patients" – tough arguments to explain when not a single organization representing doctors opposes the bill, it has passed in numerous states, places like California and New York, etc., and no state has ever attempted to reverse course.

The choice in this is simple. Vote yes on S.B. 936 to create a more transparent system for workers compensation prescribing, reduce opioid addiction rates among injured workers, and address the allegations of abuse exposed by the Inquirer. Or vote no in favor of the status quo.