



September 5, 2019

Anthony Arnett, MD, CAHIMS
Senior Medical Director, Medical Affairs
CVS Caremark
PO Box 6590
Lee's Summit, MO 64064-6590

Re: Removal of Vemlidy from CVS Caremark's Formulary

Dear Dr. Arnett,

As CVS Caremark, a subsidiary of CVS Health, is instituting changes to its formulary plan which began in July 2019—specifically, removing Vemlidy for treating chronic hepatitis B - Hep B United (HBU) is writing to strongly urge you to reconsider this decision. HBU is a national coalition of over 40 organizations in 21 states dedicated to reducing the health disparities associated with hepatitis B by increasing awareness, screening, vaccination, and linkage to care for high-risk communities across the United States.

Hepatitis B is the most common liver infection in the world, caused by the hepatitis B virus, which can severely damage the liver. It is preventable by vaccination and treatable with antiviral treatment such as Vemlidy. In the U.S., up to 2.2 million people are living with chronic hepatitis B infection, only 25% are aware of their infection, and less than 10% of infected individuals are able to access care and receive treatment. Having a chronic hepatitis B infection can lead to serious complications, including liver failure, liver cancer, scarring of the liver (cirrhosis) and premature death. Significant disparities are associated with hepatitis B. Asian American, Pacific Islander, and African communities are disproportionately affected by the virus, with these communities comprising up to 80% of all chronic hepatitis B infections in the U.S.

CVS Caremark proclaims that its vision is “to improve the quality of human life.”¹ However, by removing Vemlidy from the current formulary plan, Caremark will effectively be worsening the quality of life and future health outcomes of thousands of Americans who may need and/or rely on this drug to manage their hepatitis B and prevent cirrhosis and liver cancer. Consequently, CVS Health would be undermining its own values as a leading organization, dedicated to “improving health outcomes.”² As the 2nd largest pharmacy benefits manager (PBM) in the United States, CVS Caremark is the primary pharmacy plan for a significant number of

¹ <http://www.makingafortune.biz/list-of-companies-c/cvs-caremark.htm>

² <https://cvshealth.com/thought-leadership/cvs-health-research-institute/five-ways-cvs-health-is-improving-health-outcomes>

insurance companies. Beneficiaries of insurance plans who have been prescribed Vemlidy will have to search for a new drug if CVS Caremark no longer carries it. Additionally, there are individuals for whom Vemlidy is the safest hepatitis B treatment option due to co-morbidities including kidney disease and osteoporosis.

Exacerbating this situation is the timing of this change, which comes in the middle of the year, when beneficiaries have no opportunity to choose a different insurance plan that may cover the drug or their current supply. Many patients who are stable on their medication will now have to switch to a comparable, low-cost (usually a generic version) and possibly less effective product for purely financial reasons. This practice is known as non-medical switching: when insurers or PBMs make changes to a formulary primarily due to financial negotiations with manufacturers in exchange for greater market share.

Non-medical switching is associated with poor health outcomes. A recent study by the Alliance for Patient Access found that patients who had been switched off their preferred medication experienced complications from new the medication; one in 10 reported being hospitalized for complications after the switch; and approximately 40% stopped taking their medication completely.³ Moreover, a 2017 study concluded that cost-motivated medication switches result in higher non-drug medical costs, such as doctor office visits, hospitalizations and ER visits.⁴ HBU believes that CVS Caremark, and other PBMs, have a strong obligation to consider the health risks of their decisions above any other reason.

HBU believes that every patient with hepatitis B has a unique relationship with his/her healthcare professional and treatment team. Each patient should have access to medications and treatment services that enable them to actively manage and control their condition. As managing one's health is personal, treatment options for hepatitis B should be as well. Patients should not be forced to switch medications due to non-medical reasons, disrupting the continuity of care for a patient with a chronic hepatitis B infection.

While HBU understands that CVS Caremark needs to help control healthcare costs, it is imperative that formulary decisions be a collaborative effort between insurers, PBMs, clinicians and, most importantly, patients. Also, HBU strongly believes that these decisions should not solely be based on cost-effectiveness and should be supported by verifiable, scientific evidence. Finally, HBU strongly opposes any formulary changes during the benefit year, when patients have little to no recourse in finding different coverage options.

HBU strongly urges CVS Caremark to reconsider its decision and reinstate Vemlidy back on its formulary plan. We appreciate your attention and consideration. Please do not hesitate to

³ Alliance for Patient Access, Qualitative Impact of Non-Medical Switching Report, February 2019, http://allianceforpatientaccess.org/wp-content/uploads/2019/02/AfPA_Qualitative-Impact-of-Non-Medical-Switching_Report_Feb-2019.pdf

⁴ Institute for Patient Access, Cost-Motivated Treatment Changes & Non-Medical Switching Commercial Health Plans Analysis, August 2017, https://instituteforpatientaccess.org/wp-content/uploads/2018/05/IfPA_Non-Medical-Switching-Commercial-Claims-Analysis_Aug-2017.pdf

contact Kate Moraras, Director of Hep B United, at kate.moraras@hepb.org for further information.

Sincerely,

Hep B United
Asian American Community Services
Asian Pacific Community in Action
Asian Pacific Health Foundation
Asian Pacific Liver Center at St. Vincent Medical Center
Association of Asian Pacific Community Health Organizations
Caring Ambassadors Program
Charles B. Wang Community Health Center
Global Liver Institute
Hawaii Health & Harm Reduction Center
Hep B Free Los Angeles
Hep B United Philadelphia
Hep Free Hawaii
Hepatitis B Foundation
Hepatitis B Initiative of Washington D.C.
Immunization Action Coalition
Liver Health Connection
Mercy Housing and Human Development
Midwest Asian Health Association
National Task Force on Hepatitis B Focus on Asian and Pacific Islander Americans
National Viral Hepatitis Roundtable
San Francisco Hepatitis C Task Force
The AIDS Institute