



VIA EMAIL

February 5, 2018

Lieutenant Governor Nancy Wyman
State of Connecticut
Office of the Lieutenant Governor
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Lieutenant Governor Wyman and members of the Healthcare Cabinet:

On behalf of Boehringer Ingelheim, I submit this testimony in response to the Healthcare Cabinet's consideration of its Draft Recommendations about Healthcare Cost Containment strategies.

Boehringer Ingelheim (BI) is a family-owned, research driven pharmaceutical company committed to the discovery, development, manufacture and marketing of innovative health care products. BI established its headquarters in Ridgefield, Connecticut in 1971.

BI is the State's largest U.S. headquartered biopharmaceutical company with about 2,500 employees in Connecticut. In addition, BI has over 400 direct service providers in Connecticut and purchases \$98 million worth of goods and services annually. We have made about \$600 million in capital investments in Connecticut over the last 11 years. The biopharmaceutical's sector as a whole also has a substantial footprint in Connecticut with about 12,500 jobs directly supported by the sector and another 48,800 jobs outside the sector through partnerships with vendors and suppliers.

BI supports our local community through the Boehringer Ingelheim Cares Foundation. Among other missions, the Foundation provides select medicines to patients who need them, both across the U.S. and around the world. The Foundation's newest program is in partnership with Americares Free Clinics and funds a Health Coach Program for uninsured patients with chronic diseases at clinics in Danbury and Hartford.

BI submitted comments in November of last year in response to an earlier version of the Cabinet's draft recommendations. We appreciate this opportunity to emphasize our perspective and desire to continue this important discussion.

Once again, we want to take the opportunity to thank the Cabinet for all the work that went into these recommendations. BI appreciated the chance to contribute to some of the subgroup meetings and share our perspective.

The report includes areas of agreement such as the benefits of medication adherence to patient health and driving down costs in the healthcare system. As PhRMA points out in their testimony, the correct use of medications has the potential to deliver significant health benefits and cost savings to the system.

There also continue to be aspects of the report that are concerning. For example, BI is concerned with the potentially onerous reporting requirements that ultimately will not address drug pricing concerns. In addition, we have concerns with the limiting of coupons because they serve as a valuable source of patient assistance. And, more specifically we have serious concerns with the creation of the Drug Review Board (DRB) as explained in the report. While we appreciate the desire to address bad actors in the system we do not believe that the creation of another entity, such as a DRB, will address that problem. As others have also pointed out, the creation of the DRB presents a one-size-fits-all approach to a very complicated and diverse ecosystem. In addition, the stated mission of the DRB may replicate existing protections provided by the FDA.

We want to reiterate our support for a holistic approach to this cost containment conversation that includes all stakeholders in the supply chain. We certainly appreciate the cost concerns facing patients and BI is committed to continuing to find ways to address those concerns.

Above all, we want to emphasize our commitment to continuing to work with the Healthcare Cabinet and we appreciate the opportunity to share our comments.

Sincerely,



Jennifer A. Herz
Regional Director, Government Affairs, East