



March 23, 2023

The Honorable Marc Berman
California State Assembly
P.O. Box 942849
Sacramento, CA 94249-0023

RE: AB 948 (Berman) – Prescription Drug Copay Cap – SUPPORT

Dear Assemblymember Berman:

Mental Health America of California is pleased to **SUPPORT** Assembly Bill 948 (Berman), legislation which will make permanent the existing \$250 co-pay cap for prescription drugs, ensuring consumers can count on their monthly prescription drug costs staying within reach. The bill also extends other key consumer protection standards for the tiering of prescription drugs in a health plan's formulary.

Mental Health America of California (MHAC) is a peer-run organization that has been leading the state in behavioral health public policy and advocacy since 1957. The mission of MHAC is to ensure that people of all ages, sexual orientation, gender identity or expression, language, race, ethnicity, national origin, immigration status, spirituality, religion, age or socioeconomic status who require mental health services and supports are able to live full and productive lives, receive the mental health services and other services that they need, and are not denied any other benefits, services, rights, or opportunities based on their need for mental health services. Along these lines, we support efforts which increase access to voluntary, culturally responsive, community-based behavioral health services.

Before the \$250 cost-sharing cap was signed into law with AB 339 (Gordon, Chapter 619 of 2015), Californians with serious mental health challenges were particularly vulnerable to high out-of-pocket costs because more expensive specialty drugs were often put on the highest tier of the formulary, costing thousands of dollars. Just filling one prescription in January meant consumers often reached their annual out-of-pocket limit of \$6,000 for that single prescription in one month.

Since 2015, prescription drug costs have increased significantly - 22.2% over the last five years, or about 5% each year. As prescription drug prices rise, more and more consumers' prescription drugs will hit the \$250 cost-sharing cap, increasing the number of Californians who will be counting on this consumer protection to keep costs lower. If the co-pay cap sunsets at the end of 2023, more costs will be shifted to consumers. People that need high-cost prescription drugs could be charged up to the out-of-pocket maximum for a 30-day prescription; the 2023 out-of-pocket maximum is \$8,750 for Silver Plans, and is expected to increase in 2024.

Prescription drug costs are one of many barriers preventing people with mental health challenges from receiving necessary treatment. AB 948 will continue an existing policy that has made it

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possible for significant numbers of people with mental health challenges to afford their medication.

For these reasons, we **SUPPORT** Assembly Bill 948. If you or your staff have any questions or if MHAC can be of assistance on this or any behavioral health bill, please do not hesitate to contact me at hstrunk@mhac.org, or our Interim Director of Public Policy, Karen Vicari at kvicari@mhacofca.org.

In Community,



Heidi Strunk
President & CEO
Mental Health America of California