



OFFICE OF THE GOVERNOR

OCT 09 2013

To the Members of the California State Assembly:

Last year, in vetoing AB 1000, a bill that sought to provide cost-sharing parity between oral and intravenous anticancer medications, I directed my Department of Managed Health Care to work with the author to find alternative approaches to alleviating the high cost of these drugs for patients.

AB 219 achieves this by limiting co-payments or co-insurance to no more than \$200 for a 30-day supply of an oral anticancer drug. This provides good value for patients of modest means.

This policy, however, is not without the potential for unintended consequences. Higher drug prices, higher premium costs, and an expectation that our state laws can solve each pricing problem that arises – these cannot be the outcome of our good intentions.

Placing a price cap for a specific class of drugs for a specific class of diseases may not be a policy for the ages. This bill, with a sunset, permits us to examine what effects – intentional or unintended – this bill may have before we embrace it for the longer term.

Sincerely,



Edmund G. Brown Jr.