

February 7, 2022

To: The Honorable Delores G. Kelley, Chair, Senate Finance Committee

Re: Letter of Information - Senate Bill 353 - Prescription Insulin Drugs - Limits on Copayment and Coinsurance (Insulin Cost Reduction Act)

Dear Chair Kelley:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 353.

Maryland hospitals care for millions of people each year—many of whom suffer from chronic illness. Addressing chronic illness aligns with the state's efforts to prioritize total population health in the Statewide Integrated Health Improvement Strategy (SIHIS), which identifies diabetes as an area of focus.

More than 10% of the state's adult population has diabetes—the sixth leading cause of death in Maryland—and an estimated 1.6 million have prediabetes. This is one reason hospitals' first measure for population health accountability established under Maryland's Total Cost of Care Model is diabetes prevention. Despite scientific advances to manage diabetes, those with this chronic disease often are at higher risk of frequent hospital readmissions. Long-term, uncontrolled diabetes contributes to other illnesses, including heart disease and kidney failure. Managing readmissions and the reduction of the disease will require collaboration and coordination across all sectors of the health care field, including insurers.

Type 1 diabetes results from the pancreas' inability to produce insulin.³ Therefore, patients with Type 1 diabetes need insulin injections to allow their body to process glucose and avoid complications from hyperglycemia. People with Type 2 diabetes do not respond well or are resistant to insulin. They may need insulin shots to help process sugar and prevent long-term complications. Since Type 2 diabetes is a progressive condition, the longer someone has it, the more likely they will require insulin to maintain blood sugar levels. For these reasons, it is critical that diabetics manage insulin intake appropriately and have access to affordable insulin. Improvements in population health rely on accessible and effective treatments for chronic illnesses, such as diabetes.

Maryland hospitals support expanded access to disease management treatments. It is unclear what impact this bill will have on increasing access to insulin and the size of the population that will benefit from it. We support the intent of the legislation and welcome the opportunity to work with the sponsor and advocates on this issue.

¹ Maryland Department of Health. "Maryland Diabetes Action Plan". health.maryland.gov/diabetes-action-plan

² Cleveland Clinic, "Diabetes: Complications", my.clevelandclinic.org/health/articles/11877-diabetes-complications

³ Maryland Department of Health. "Maryland Diabetes Action Plan". <u>health.maryland.gov/diabetes-action-plan</u>

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