



March 25, 2025

Re: Health Benefit Plans – Calculation of Cost Sharing Contribution – Requirements

Dear Chair Beidle, Vice Chair Hayes and Honorable Senate Finance Committee Members:

The AIDS Institute, a non-partisan, nonprofit organization dedicated to improving and protecting health care access for people living with HIV, hepatitis, and other chronic health conditions, is writing in **opposition to the amended HB 1246**. As advocates for patients and their families, we are concerned that one amendment in HB 1246 will have unintended consequences. The language that concerns us is in section C (2), requiring pharmaceutical manufacturers to:

“Provide the discount, financial assistance payment, product voucher, or other out-of-pocket expense for the duration of the plan year.”

While we understand the House Committee’s intent of not wanting patients to “fall off a cliff” due to available assistance, we believe the offered solution will lead to many potential unintended consequences that would bring more confusion – and potentially harm – to patients. There has been considerable compromise achieved over the last two years with Senate and House versions of this legislation. We applaud the Senate for adding notification requirements to SB 773 that seek compromise with the House. **However, there is no precedent for this amendment in the country, thus we are understandably concerned about unintended negative consequences for Marylanders.**

Even with insurance, many patients are unable to meet the high deductibles in marketplace plans, and the high coinsurance associated with specialty drugs. To help cover the cost of their copayment, patients often rely on copay assistance from manufacturers and charitable foundations. Access to these treatments is critical for individuals with serious, chronic conditions to stay healthy, remain in the workforce, and out of the emergency department. Without copay assistance, many patients abandon their prescriptions at the pharmacy, or take measures to ration their doses, to the detriment of their health.¹

¹ Kaiser Family Foundation, Poll: Nearly 1 in 4 Americans Taking Prescription Drugs Say It’s Difficult to Afford Their Medicines, including larger shares among those with health issues, with low incomes, and nearing Medicare age, March 1, 2019, <https://www.kff.org/health-costs/press-release/poll-nearly-1-in-4-americans-taking-prescription-drugs-say-its-difficult-to-afford-medicines-including-larger-shares-with-low-incomes/>

House Bill 1246 *should* address the negative effects of a policy that many insurers and pharmacy benefit managers are instituting that limits patients' ability to afford and access medications. Through copay accumulators and other copay diversion policies, insurers and PBMs divert copay assistance funds intended for the patient to their own bottom lines. Like underwriting tactics before the passage of the Affordable Care Act, these policies undermine coverage for the most serious conditions (HIV, hepatitis, multiple sclerosis, hemophilia, cancer, and lupus to name a few). By restricting access to these life-saving prescriptions, insurers and PBMs are costing the healthcare system more when patients seek care in emergency settings and their conditions have worsened to require more intensive interventions.

Please oppose this unnecessary amendment in HB 1246. Thank you for considering our perspective on this critical issue. We stand ready to work with you to advance policies that promote the health and welfare of all Marylanders.

Sincerely,

Naomi Gaspard,
Policy Manager
The AIDS Institute