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March 27, 2025

The Honorable Pam Beidle
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, MD 21401

House Bill 1246 - Health Benefit Plans - Calculation of Cost-Sharing Contribution - Requirements

Dear Chair Beidle,

The League of Life and Health Insurers of Maryland, Inc. **supports** *House Bill 1246 - Health Benefit Plans - Calculation of Cost-Sharing Contribution – Requirements* and urges the committee to give the bill a favorable report.

As the committee is aware, carriers and advocates spent a lot of time on the basis of this legislation during the 2024 Maryland General Assembly Session. House Bill 879 passed the chamber and was in possession of the Senate Finance Committee at the end of Session. Unfortunately, that legislation did not pass.

That bill would have, when calculating an insured's or enrollee's contribution to the insured's or enrollee's coinsurance, copayment, deductible, or out-of-pocket maximum, required a carrier to include any discount, financial assistance payment, product voucher, or other out-of-pocket expense made by or on behalf of the insured or enrollee for a prescription drug that: (1) is covered under the insured's or enrollee's health benefit plan; and (2) does not have an AB-rated generic equivalent or an interchangeable biological product preferred under the health benefit plan's formulary or, if there is such an alternative, the insured or enrollee has obtained access to a brand drug through a prior authorization, step therapy protocol, or exception or appeal process of the carrier.

This bill from last Session has been reintroduced as House Bill 1246. After lengthy debate and stakeholder engagement, HB 1246 passed out of the House with further consumer protections layered on the legislation from last year ensuring that Marylanders had the benefit of coupon dollars for an entire plan year, as well as provisions related to altering or setting conditions of the terms on a health benefit plan that was taken directly from Senate Bill 773.

HB 1246 represents a true compromise that protects consumers, and we urge a favorable report on this bill.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matt Celentano", with a long horizontal flourish extending to the right.

Matthew Celentano
Executive Director

cc: Members, Senate Finance Committee