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Finance Committee  
Chair, Rules Committee

*Joint Committees*

Children, Youth, and Families  
Ending Homelessness  
Fair Practices and State Personnel Oversight  
Management of Public Funds

Chair, Prince George's County  
Senate Delegation



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THE SENATE OF MARYLAND  
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Testimony of Senator Joanne C. Benson

SB 623: Health Insurance- Out-of-Pocket Maximums and Cost-Sharing  
Requirements Calculation

Good Afternoon Madam Chair and esteemed members of the Finance Committee. Senate Bill 623: Health Insurance - Out-of-Pocket Maximums and Cost-Sharing Requirements – Calculation requires all payments made by patients – either directly or on their behalf – to be counted towards their overall out of pocket maximum requirement or towards their deductible. This protects patients from receiving unexpected bills or treatment delays since their insurance company only count payments made directly by the patient towards cost-sharing requirements.

Charities and drug manufacturers offer co-pay assistance programs for individuals living with rare, chronic conditions to help temper high prescription costs. At times, these costs can be as high as 20% to 50% of the costs of their medication. However, insurers are increasingly implementing “co-pay accumulator programs.” Co-pay accumulator programs stipulate that the insurer will not count co-pay assistance towards the patient’s deductible or out-of-pocket maximum. In effect, this means that the insurer is double dipping: by being paid once by the co-pay assistance program and then again from the patient’s own pocket.

Accumulator programs render co-pay assistance programs useless. Many individuals are unaware that their insurance company undergo this practice until it’s too late. Worse, those with high deductible health plans are most at risk.

I believe in protecting our most vulnerable citizens- the helpless, the hopeless, and the homeless. This bill protects those who are truly at their most vulnerable state, those living with chronic and often rare conditions who suffer enough trying to live a normal lifestyle with their condition. The last thing one should have to worry about is whether their insurance company will cover the cost of the treatment that will save their life. Yet, when insurance companies utilize these co-pay accumulator programs patients think they have met their deductible when in fact they haven’t. This puts an unnecessary burden on patients to figure out how to come up with the additional funds to pay for their treatment. This threatens continuity of the treatment and the patient’s well-being.

This bill has nothing to do with the cost of drugs. Senate Bill 623 is simply about fairness and equity for patients – especially those with chronic, costly conditions and those with limited means. This bill has no fiscal note and has bipartisan support.

Thus, I respectfully urge the committee for a favorable report on Senate Bill 623.