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**HB 1050**

March 2, 2020

**TO:** Members of the House Health and Government Operations  
**FROM:** Nicholas Blendy, Deputy Director of Government Relations  
**RE:** House Bill 1050 – Discharge or Transfer of Patients – Prior Authorization of Prescriptions (The Mae Abraham Act)

**POSITION: SUPPORT**

Chair Pendergrass, Vice Chair Pena-Melnyk, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 1050.

Inpatient hospitalizations and associated inpatient services are one of the most costly health care cost categories, accounting for a third of total U.S. health care expenditures.<sup>1</sup> Readmissions contribute significantly to this cost and are sometimes indicators of missed opportunities for better coordination of care.<sup>2</sup> Though Maryland has made significant strides in reducing readmission rates, the 2016 Maryland readmission rate still exceeded national levels.<sup>3</sup>

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<sup>1</sup> Agency for Healthcare Research and Quality. HCUP Projections: Cost of Inpatient Discharge 2003 to 2013. U.S. Department of Health and Human Services. Published online 11 December 2013. Available from: <https://hcup-us.ahrq.gov/reports/projections/2013-01.pdf>

<sup>2</sup> Maryland Hospital Preventable Re-Admissions. Maryland Health Services Cost Review Commission. Accessed 28 February 2020. Available from: [https://hsrc.maryland.gov/Pages/init\\_qi\\_mhpr.aspx](https://hsrc.maryland.gov/Pages/init_qi_mhpr.aspx)

<sup>3</sup> Sabatini N, Antos, JR, Haft H, & Kinzer D. Maryland’s All-Payer Model—Achievements, Challenges, And Next Steps. Health Affairs. 31 January 2017. Accessed 28 February 2020. Available from: <https://www.healthaffairs.org/doi/10.1377/hblog20170131.058550/full/>

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Dispensing medications prior to hospital discharge could reduce hospital readmissions. A study in *Pediatrics* showed that discharged with medications in hand were less likely to re-present to the Emergency Department.<sup>4</sup>

Inability to obtain prescribed medications either due to the high cost of the medication or lack of prior authorization can be a significant barrier to medication adherence and risk factor for readmission. In a study by the *American Public Health Association*, health care system-level controlled factors like mail-order pharmacy use, prescription refills, and addressing copayment and out-of-pocket costs nearly doubled the likelihood of patient adherence to cardiovascular and diabetes medications.<sup>5</sup>

House Bill 1050 requires a hospital, before the discharge or transfer of a patient, to ensure that prior authorization is obtained for any prescriptions given to the patient that require prior authorization. This allows a peace of mind for the patient prior to leaving the hospital.

We respectfully request a **favorable** report on House Bill 1050.

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<sup>4</sup> Jonathan Hatoun, Megan Bair-Merritt, Howard Cabral and James Moses. Increasing Medication Possession at Discharge for Patients With Asthma: The Meds-in-Hand Project. <https://pediatrics.aappublications.org/content/early/2016/02/22/peds.2015-0461>. *Pediatrics* February 2016, peds.2015-0461; DOI: <https://doi.org/10.1542/peds.2015-0461>

<sup>5</sup> Schmittiel J et al. Health Care System-level Factors Associated With Performance on Medicare STAR Adherence Metrics in a Large, Integrated Delivery System. *Medical Care*. April 2015. Vol. 53, no. 4: 332-337.