

Date: Wednesday, February 10, 2021

Bill: SB0290 - Health Insurance – Out-of-Pocket Maximums and Cost-Sharing Requirements – Calculation

Committee: Senate Finance
The Honorable Delores Kelley, Chair

POSITION: Support

Submitted by: Angus Worthing, M.D.
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Good afternoon Chair and members of the Committee. My name is Dr. Angus Worthing, and I am grateful for the opportunity to testify on behalf of my medical group and my patients in favor of SB0290, entitled Health Insurance Out of Pocket Maximums and Cost-Sharing Requirements Calculation.

I have been practicing medicine in Maryland since 2008. In addition to my full-time rheumatology practice, I serve on the executive committee of my medical group, Arthritis & Rheumatism Associates, which has offices in Maryland, Virginia, and the District of Columbia, I am a Clinical Assistant Professor of Medicine at Georgetown University Medical School, and I serve on the Board of Directors of the American College of Rheumatology. Briefly, my background in this topic includes treating patients who have autoimmune and musculoskeletal diseases like rheumatoid arthritis, osteoporosis, lupus, gout, and many others using various prescription medications that can either be dispensed in our office as infusions, or dispensed by pharmacists for patients to take as pills or self-injections. These drugs can be life-changing for people – they relieve previously disabling joint pain, prevent damage to joints and other organ systems, prevent permanent disability, and extend a person’s life expectancy. It’s really gratifying to take care of people who experience this life-changing effect. They’ve often experienced pain for months or years while getting diagnosed and while trying 1 or more less-costly medications which failed them, and are now doing well, back to work because of the medications they are currently taking. But many of these medicines can be challenging for patients to obtain due to high out of pocket costs.

As written, this legislation sets up an effective process to protect Marylanders against a new tactic by insurance companies that makes these drugs unaffordable, and also disrupts the doctor-patient relationship. My colleagues and I strongly support the bill and we commend Delegate Young and Senator Benson for introducing it.

Currently, when patients face a high copayments for prescription drugs, copay assistance funds can help defray their out of pocket costs and allow them to start taking medication and continue medications that are keeping their illnesses controlled. These assistance programs can typically pay up to \$10,000 to \$20,000 per year for a patient’s medication.

Unfortunately, some insurance carriers have stopped allowing copay assistance funds to be applied to patients' out of pocket costs. These patients are forced to make payments that are often unaffordable in order to obtain their medicines. It's heartbreaking to see the look of fear and anxiety on my patients' faces when they can't afford the medications that rescued them from the disabling pain they had for months or years until they started drugs that worked for them. When autoimmune diseases flare, patients often must use medicine to suppress the immune system or even be hospitalized. The COVID-19 pandemic is arguably the worst possible time to put people on immune-suppressing drugs or hospitalize them.

Also, insurers implement these tactics by requiring me to report my patients' copay assistance data before reimbursing my office for the cost of their intravenous medications, for the purpose of preventing us from applying copay funds towards patients' copayments. This places me in conflict with the welfare of my patients and disrupts our relationship. The American Medical Association commented – in its November 2020 policy supporting legislation like HB 167 and SB 290 – that doctors who report this patient data would be violating the AMA Code of Medical Ethics.

The insurance industry opposed this legislation in 2020 on the basis that it would promote the use of high-cost brand-name drugs over equally effective lower cost drugs and that “These dynamics are well understood by the federal government,” which prohibits copay programs. This is an unfortunate distortion of reality – my patients use high-cost drugs only after being failed by the less-costly ones. And beneficiaries of federal Medicare insurance generally don't need copay assistance for drugs given in doctors' offices because over 80% have secondary insurance to offset what Medicare doesn't cover. Finally, when Maryland doctors try to order the the less-expensive version of the only off-patent specialty drug in rheumatology – the so-called biosimilar – Maryland's largest insurer currently refuses to cover it and forces us to use higher cost brand-name drug, likely because of secretive rebates it and its pharmacy benefits manager garner from the manufacturer. These rebates are a key driver of high US drug prices, according to the US Department of Health and Human Services. About 2% of Americans are taking specialty drugs, so likely over 100,000 Marylanders risk losing access to their life-changing medication if this bill is not enacted.

The nation's largest insurance company announced in the fall that it would implement this disruptive tactic on January 1, 2021. While implementation was paused in response to our concerns, my patients are at risk of this and other insurance company programs. I encourage the General Assembly to pass this legislation urgently, so that our patients insured in Maryland can have the same protections that our Virginia patients enjoy.

As a physician, it is a privilege to be here today and be able to advocate on behalf of my patients and the thousands of individuals likewise situated. I look forward to your questions. Thank you.