Mid-Atlantic Permanente Medical Group, P.C.
Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc

February 3, 2021

The Honorable Shane E. Pendergrass
Health and Government Operations Committee
House Office Building Room 240
6 Bladen Street
Annapolis, Maryland 21401

RE: HB 429 – Support with Amendment

Dear Chair Pendergrass and Members of the Committee:

Kaiser Permanente supports HB 429, Pharmacists – Required Notification and Authorized Substitution – Lower Cost Brand Name Drug or Device Product, and we request the Committee's consideration of one amendment.

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.[1] Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for approximately 755,000 members. In Maryland, we deliver care to over 430,000 members.

This bill allows a pharmacist or designee to inform consumers of the availability of certain therapeutically equivalent brand name drugs and the cost difference between the therapeutically equivalent drug and a certain prescribed brand name drug. A pharmacist is authorized to substitute a therapeutically equivalent brand name drug or device product for certain prescribed drugs or devices. The pharmacist is required to provide notice to a patient and maintain a record if a therapeutically equivalent brand name drug or device is substituted for a drug device or product.

The use of therapeutic substitutions for generics and branded products has long been consistent with the strategy KP utilizes to ensure our patients receive clinically appropriate, affordable pharmaceutical care. While medications on our formulary are already selected based on efficacy, safety, therapeutic value, and cost effectiveness, we maintain processes that continually evaluate evidence-based prescribing. We consider whether patients are receiving prescriptions that maximize clinical outcomes and maintain low prices where possible. When a generic medication becomes available on the market, we quickly evaluate it for placement on our formulary, and patients previously on the branded product may automatically be switched to the generic formulation, unless the prescriber deems the brand drug medically necessary.

One way patients are notified of brand-to-generic conversions is via their prescription containers labeled in accordance with state and federal regulations. The term "Generic for:" is clearly designated on the label when such substitution occurs. We may also counsel the patient about the change. However, when a lower cost branded product is available on the market, our clinical pharmacy team seeks authorization from the prescriber to proceed with conversion from one branded product to the lower priced branded

product. The patient is then notified of the conversion after prescriber authorization is received and documentation is maintained in the patient's pharmacy profile. The dispensing pharmacist is required to counsel the patient when a therapeutic conversion occurs. To comply with the proposed language in HB 429, pharmacy software systems may need to be reconfigured to display the terms "generic for" and "substitute for" interchangeably, which may be a difficult programming challenge. That may also cause confusion for patients. Therefore, KP requests the amendment below.

Thank you for the opportunity to comment. Please feel free to contact Allison Taylor at Allison.W.Taylor@kp.org or (202) 924-7496 with questions.

Sincerely,

Allison Taylor
Director of Government Relations
Kaiser Foundation Health Plan of Mid-Atlantic States, Inc.

AMENDMENT TO HOUSE BILL 429
(First Reading File Bill)

On page 3, in line 24, strike "Notify the patient in writing" and substitute "**MAINTAIN A RECORD THAT THE PATIENT HAS BEEN NOTIFIED**".