

MMCOA Board of Directors

President Cynthia M. Demarest *CEO* Maryland Physicians Care

Vice President/ Secretary Vincent M. Ancona President Amerigroup Maryland, Inc.

Treasurer

Edward Kumian CEO Priority Partners MCO, Inc.

Angelo D. Edge CEO Aetna Better Health

Mike Rapach President& CEO CareFirst Community Health Plan Maryland

Jai Seunarine CEO Jai Medical Systems

Shannon McMahon Executive Director, Medicaid Policy Kaiser Permanente - Mid-Atlantic States

Eric R. Wagner Executive Vice President MedStar Family Choice, Inc.

Kathlyn Wee CEO UnitedHealthcare of the Mid-Atlantic, Inc.

House Bill 1107 – Maryland Medical Assistance Program - Supplemental Rebate Program - Subscription Model for Hepatitis C Therapies

OPPOSE

House Health & Government Operations Committee March 2, 2021

Thank you for the opportunity to submit testimony in opposition to House Bill 1107 – Maryland Medical Assistance Program - Supplemental Rebate Program - Subscription Model for Hepatitis C Therapies.

The Maryland Managed Care Organization Association (MMCOA), which is comprised of all nine MCOs that serve Medicaid, is committed to ensuring access to the prescription drugs and devices that our members depend on for their health. Maryland's nine MCOs serve over 1.3 million Marylanders through the Medicaid HealthChoice program.

While we applaud the bill sponsor's effort to examine ways in which the Medicaid pharmacy spend can be decreased while ensuring access to needed therapies, this bill will likely increase costs – as we have seen in other states that has enacted similar laws- to deliver Hepatitis C therapies to our members at a time when costs are decreasing, due in large part to market competition. Furthermore, this legislation emphasizes utilization of a particular brand, which introduces clinical and cost of care concerns associated with limiting patients to a certain drug without accounting for emerging clinical evidence, cost-effective alternatives, and future FDA guidance.

In addition, this legislation undermines the purpose of the State's Hepatitis C carve-in by failing to address the critical need for additional wrap-around services for people who transmit the disease via intravenous drug use or other value-added solutions that make pharmaceutical therapy management more effective. The MCOs are well-situated to address these additional needs and we, along with the Medicaid program, diligently monitor medical literature for guideline changes as well as Centers for Disease Control (CDC) and FDA updates. For these reasons, we respectfully oppose House Bill 1107.

The MMCOA looks forward to continued collaboration with the State as we work to identify ways to improve access to affordable high-quality care for all Medicaid participants.

Please contact Jennifer Briemann, Executive Director of MMCOA, with any questions regarding this testimony at jbriemann@marylandmco.org.