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Baltimore County

DEPUTY MAJORITY WHIP

Appropriations Committee

Chair
Oversight Subcommittee on Personnel

House Chair
Joint Committee on the
Management of Public Funds

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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

January 19th, 2021

HB 167 – Health Insurance - Out-of-Pocket Maximums and Cost-Sharing Requirements - Calculation

Chair Pendergrass and the Esteemed Members of the Committee

I am happy to introduce to you today House Bill 167 – Health Insurance - Out-of-Pocket Maximums and Cost-Sharing Requirements - Calculation. This bill requires all payments made by patients – either directly or on their behalf – be counted towards their overall out of pocket maximum requirement, or towards their deductible.

This bill protects patients from unmanageable out-of-pocket costs by ensuring all copays count. To help patients with chronic and rare conditions afford the treatments they need to stay healthy, charities and manufacturers offer copay assistance. However, insurers are implementing co-pay accumulator programs at an alarming rate. Under these programs, copay assistance is not counted toward the patient’s deductible and out-of-pocket maximum. In effect, this means that the insurer is double dipping: the out-of-pocket costs are paid twice. First by the copay assistance and then by the patient because the copay assistance was not counted the first time.

Accumulator programs render co-pay assistance useless. Copay assistance *should* help patients pay their high costs, but when it does not count, patients are left on the hook for thousands of dollars. Accumulator programs also increase costs to the health care system because without treatment, patients end up in the emergency department and experience irreversible disease progression.

This bill is not about fixing the health care system, it is about helping patients afford their medications today. This is about fairness and equity for patients – especially those with chronic conditions. The fiscal impact of this bill is minimal and will increase special fund revenue for the Maryland Insurance Administration (MIA) due to rates and filing fees.

Thank you for your time and consideration,

Delegate Pat Young, 44B

A handwritten signature in cursive script that reads "Pat Young".