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THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

Health Insurance - Prescription Insulin Drugs - Limits on Copayment and Coinsurance (Insulin Cost Reduction Act)

The purpose of SB 353:

- SB 353 will reduce the cost of insulin for Marylanders enrolled in eligible health insurance plans, who rely on prescriptions of this drug to live.
- SB 353 will require insurers, nonprofit health service plans, and health maintenance organizations to limit the amount a covered individual is required to pay in copayments or coinsurance for insulin prescriptions to \$30 for a 30-day supply.
- SB 353 will help individuals who do not qualify for Medicaid, but who have health plans with high deductibles or high cost sharing, mitigate the costs of their insulin prescriptions.
- SB 353 will help privately insured individuals with diabetes pay less out-of-pocket and reduce the instances of individuals rationing the drug due to its high cost.
- Help prevent poor health outcomes for individuals and the avoidable costs of which will fall to Medicare or possibly Medicaid.

Why SB 353 is needed:

- In Maryland, nearly 500,000 people or 10.5% of adults are living with diabetes, while 34% (or 1.5 million residents) have prediabetes.
- In Maryland, diabetes disproportionately impacts specific populations based on income and education level, race and ethnicity, geographic location and access to healthcare.¹
- The cost of insulin in the United States has tripled over the last decade.
- Co-pays, co-insurance and other out-of-pocket costs are often based on the list price of the insulin drug, and not the discounted price that has been negotiated from pharmacy benefit managers and providers. Patients generally pay a percentage of the full list price, regardless of rebates received by their plan from the drug manufacturer.

¹[Maryland Department of Health](#)

- 1 in 4 patients with type 1 or 2 diabetes have reported using less insulin than prescribed due to the high costs.²
- Diabetics who reported rationing their insulin supply are three times more likely to have high blood sugar than those who did not.
- A life-threatening short term consequence of uncontrollably high blood sugar levels is diabetic ketoacidosis, which can lead to dehydration, coma, and death.
- Long term consequences of high blood sugar levels include kidney failure, blindness, lower limb amputation, and death.
- Insulin and insulin analogs are the only drugs able to slow the development of debilitating complications, prevent costly hospitalizations, and save the lives of people with diabetes, therefore.
- Similar policies have been passed in a multitude of states across the country, including CT, CO, DE, IL, KY, ME, NH, NM, NY, TX, UT, VA, WA, WV, and with 30-day caps as low as \$15.

² [“Cost-Related Insulin Underuse Among Patients With Diabetes”](#)