



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
2101 East Jefferson Street
Rockville, Maryland 20852

March 2, 2022

The Honorable Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

RE: SB 621 – Oppose

Dear Chair Kelley and Members of the Committee:

Kaiser Permanente regrettably opposes SB 621, Health Insurance – Changes to Coverage, Benefits, and Drug Formularies – Timing.

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 800,000 members. In Maryland, we deliver care to over 460,000 members.

SB 621 prohibits a carrier from changing the covered services or benefits provided under a health insurance policy during the term of the policy. A carrier frequently needs to make changes to a formulary mid-year to reflect market changes, such as to provide coverage for the COVID-19 vaccines or to implement a new mandate, such as to cover COVID testing. Occasionally, we must remove drugs from the formulary if safety issues have been identified for a particular drug (e.g., FDA drug recall), and this bill would not permit us to do so. For these reasons, we request an unfavorable report for SB 621.

Thank you for the opportunity to comment. Please feel free to contact me 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.

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation's largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente's members.