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

March 24, 2022

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

## RE: SB 355 – Oppose

Dear Chair Pendergrass and Members of the Committee:

Kaiser Permanente respectfully opposes SB 355, "HIV Prevention Drugs – Dispensing by Pharmacists and Insurance Requirements." While we support expanding access to both preexposure prophylaxis (PrEP) and post-exposure prophylaxis (PEP), we believe this proposal would need substantial amendments to address the concerns outlined below.

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.<sup>1</sup> 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.

**PrEP is not just a medication, but a comprehensive program to prevent HIV.** Our clinical experts are concerned that authorizing direct access to PrEP at a pharmacy could inhibit overall HIV prevention efforts and could negatively impact patient care. A pharmacist-driven program to help expand access and utilization to PrEP can be valuable and effective if done right. There are effective pharmacy-based PrEP programs that operate under a physician's direction and include the various, critical elements of a PrEP program, including screening and monitoring labs, risk-reduction counseling, STI screening, and clinical follow-up. In many of our locations at Kaiser Permanente, we have trained clinical pharmacists providing PrEP through such programs, including appropriate screening for other sexually transmitted diseases and referral to substance use programs, and it works well because physicians are an integral part of the care. We are not comfortable allowing a pharmacist to independently furnish PrEP outside of a comprehensive PrEP program, which is highly specialized and requires extensive time and training.

**PrEP is not recommended for all patients, regardless of risk of acquiring HIV.** The U.S. Preventive Services Task Force recommends that clinicians offer PrEP with effective

<sup>&</sup>lt;sup>1</sup> 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.

antiretroviral therapy to persons who are at high risk of HIV acquisition, which is outlined in <u>recent guidance</u>. This legislation includes no guardrails to ensure that the appropriate population receive this medication, which we think would be important given the medication's high cost. We also question whether community pharmacists will have the time to do appropriate counseling and monitoring of labs and adherence during ongoing PrEP and whether they have the clinical skillset to interpret an HIV test to distinguish an acute HIV seroconversion, in which case starting PrEP could lead to HIV drug resistance.

**Maryland Medicaid already pays for PrEP and PEP.** Coverage for PrEP and PEP was carved into coverage through the HealthChoice program on January 1, 2020. Therefore, there is no need to amend section 15-103 of the Health – General Article to mandate coverage.

**Prohibitions on cost-sharing and prior authorization should be limited to at least one PrEP drug.** We recommend the legislation incorporate the coverage guidance included in FAQs prepared jointly by the Departments of Labor, Health and Human Services, and the Treasury (collectively, the Departments) addressing coverage of preventive services, including PrEP. Specifically, the Departments noted that "since the branded version of PrEP is not specified in the USPSTF recommendation, plans and issuers may cover a generic version of PrEP without cost sharing and impose cost sharing on an equivalent branded version." Prohibiting cost-sharing and prior authorization for every drug, including brand name drugs, will unnecessarily raise costs, especially when lower cost generic drugs are available. We recommend the amendment below to align with the Departments' FAQs.

**The State may already have a funding source to help defray insurance costs associated with PrEP and PEP.** Chapter 46 of the Acts of 2016 established a Special Fund consisting of "any rebates received by the [Maryland Department of Health] from the Maryland AIDS Drug Assistance Program as a result of State General Fund expenditures," to be used only for "State-identified priorities for HIV prevention, surveillance, and care services." As noted in the fiscal note for that legislation, MDH intended to use this fund to defray costs associated with PrEP for high-risk HIV-negative individuals. At that time, DLS estimated that a one-time General Fund expenditure of \$100,000 would generate over \$3.7 million in rebates by 2021. The General Assembly should understand whether this Special Fund is adequately covering the cost of PrEP for eligible Marylanders before prohibiting a carrier from imposing a cost-sharing requirement.

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Kaiser Permanente Comments on SB 355 March 24, 2022

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

Sincerely,

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

## AMENDMENT TO SENATE BILL 355 (Third Reading File Bill)

On page 9, in line 29, after "(1)" insert "<u>AT LEAST ONE DRUG FOR</u>".

*Rationale: The amendment prohibits a carrier from requiring prior authorization or imposing cost sharing for at least one drug for preexposure prophylaxis for HIV prevention.*