

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

February 17, 2022

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

RE: HB 675 – **Oppose**

Dear Chair Pendergrass and Members of the Committee:

Kaiser Permanente regretfully opposes HB 675, 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. 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.

HB 675 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 HB 675.

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

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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.