



February 13, 2022

The Honorable Shane E. Pendergrass House Health & Government Operations Committee House Office Building – Room 241 Annapolis, MD 21401

RE: Support – HB 578: Maryland Medical Assistance Program - Prior Authorization for Drug Products to Treat an Opioid Use Disorder - Prohibition

Dear Chairman Pendergrass and Honorable Members of the Committee:

The Maryland Psychiatric Society (MPS) and the Washington Psychiatric Society (WPS) are state medical organizations whose physician members specialize in diagnosing, treating, and preventing mental illnesses, including substance use disorders. Formed more than sixty-five years ago to support the needs of psychiatrists and their patients, both organizations work to ensure available, accessible, and comprehensive quality mental health resources for all Maryland citizens; and strive through public education to dispel the stigma and discrimination of those suffering from a mental illness. As the district branches of the American Psychiatric Association covering the state of Maryland, MPS and WPS represent over 1000 psychiatrists and physicians currently in psychiatric training.

MPS/WPS support House Bill 578: Maryland Medical Assistance Program - Prior Authorization for Drug Products to Treat an Opioid Use Disorder – Prohibition (HB 578). Opioid overdoses have been a primary driver of the fivefold increase in deaths due to drug overdose in the U.S. between 2000 and 2020. The national opioid epidemic began with an increase in deaths from opioid prescriptions through the early 2000s, followed ten years later by a steep rise in deaths from heroin overdoses, and shortly thereafter, an even sharper increase in deaths from synthetic opioid overdoses. The U.S. saw some improvement in opioid-related death rates from 2017 to 2018 before increases began again and sharply accelerated in light of the pandemic.

In 2020, Maryland tragically saw 2,509 opioid overdose deaths, accounting for 90.9% of all drug overdose deaths in the state. From 2009 to 2019, the age-adjusted death rate due to opioid overdose increased from 9.9 per 100,000 to 34.0 per 100,000 in Maryland. Over the same period, the age-adjusted death rate increased from 6.6 per 100,000 to 15.5 per 100,000 in the U.S.

HB 578 identifies a gap in Maryland's Medicaid coverage as it relates to opioid use disorder (OUD) and prior authorization for the medications that can effectively treat it. Prior authorization is a utilization management tool that requires doctors to obtain approval from an insurance plan, in this case the Maryland Medical Assistance Program, or pharmacy benefit manager (PBM) before it will cover the costs of a specific medicine used to treat OUD.





Sadly, most insurers use prior authorization as a way to contain health care spending, generally requiring an extensive amount of required paperwork to be submitted, multiple phone calls back-and-forth to insurance companies, and significant wait times for approval. The insurer, who ultimately decides whether a treatment is "medically necessary," is not even required to be a physician. When insurers, like the Maryland Medical Assistance Program, decide that patients should not get the treatment physicians have recommended, this is akin to practicing medicine without a license.

Remarkably, no clear evidence exists that prior authorization either improves the quality of patient care or actually saves money. Instead, prior authorization often results in unnecessary delays in receiving life-sustaining medications and leads to physicians spending more time on paperwork and less time treating their patients. An AMA study found that 90% of physicians report that prior authorization has a significantly negative impact on patient clinical outcomes.

For individuals with psychiatric disorders, including those with serious mental illness or substance use disorders, gaps in treatment due to pre-authorization denials can lead to relapse, with increased health care costs and devastating effects for individuals and their families. HB 578 will help a subset of those with OUD and insured under the Maryland Medical Assistance Program. <u>MPS/WPS believes that the committee should advance this bill and consider the benefit of removing prior authorization restrictions such as this from all other forms of insurance if the State is truly serious in getting OUD patients the efficient care they deserve.</u>

If you have any questions with regard to this testimony, please feel free to contact Thomas Tompsett Jr. at <u>tommy.tompsett@mdlobbyist.com</u>.

Respectfully submitted, The Maryland Psychiatric Society and the Washington Psychiatric Society Legislative Action Committee