



Maryland
Hospital Association

February 22, 2023

To: The Honorable Melony G. Griffith, Chair, Senate Finance Committee

Re: Letter of Support – Senate Bill 515- Health Insurance – Step Therapy or Fail-First Protocol – Revisions

Dear Chair Griffith:

On behalf of the Maryland Hospital Association’s (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment in support of Senate Bill 515. Due to rising prescription drug costs, health insurance carriers increasingly require patients to undergo step therapy, which is a process where the patient must first try and fail on another drug—often a less expensive variation—before being allowed to step up to the more expensive medication. While the practice theoretically can control cost, improper use of step therapy delays access to necessary drugs and can lead to negative health outcomes. MHA supports proposals to reduce unnecessary delays and expedite patient access to lifesaving medication.

SB 515 would create two important protections against the undesirable effects of step therapy. First, the bill would exempt prescription drugs used to treat mental disorders from step therapy protocol. The United States is in the midst of a severe behavioral health crisis, which has been exacerbated by the COVID-19 pandemic.^{1,2} While not the silver bullet, medications serve an important role in treating mental health disorders. Studies, however, show step therapy may inadvertently reduce antidepressant use and increase overall and mental health-specific inpatient and emergency room expenditure and utilization.³ **Maryland should protect access to prescription drugs for patients afflicted with mental health disorders.**

Second, the bill would require health insurance carriers to establish a process for requesting a step therapy protocol exception. The bill outlines a number of exceptions, including if (1) the required drug is likely to cause harm to the patient; (2) is expected to be ineffective; (3) the patient is already stable on a different drug; or (4) the patient has already tried and failed using a drug in the same pharmacologic class.

These exceptions would help patients avoid unnecessary and potentially harmful delays.

Carrier step therapy protocols are not always consistent with medical practice. A study of

¹ “The US’ growing mental health crisis, in 6 charts,” Advisory Board, Oct. 7, 2022. www.advisory.com/daily-briefing/2022/10/07/mental-health-crisis

² “Increased need for mental health care strains capacity,” American Psychological Association, Nov. 15, 2022. www.apa.org/news/press/releases/2022/11/mental-health-care-strains

³ “The Effects of Antidepressant Step Therapy Protocols on Pharmaceutical and Medical Utilization and Expenditures,” The American Journal of Psychiatry, Oct. 1, 2010. ajp.psychiatryonline.org/doi/full/10.1176/appi.ajp.2010.09060877

commercial health plans found that 55.6% of the sampled step therapy protocols were more stringent than corresponding clinical guidelines.⁴ More stringent protocols mean patients must try more drugs than clinical guidelines recommend, leading to more delays and potentially worsening the patient's health before they can access their preferred treatment. The proposed exceptions would help bypass delays and restore health care decision making to the patient and their providers.

For these reasons, we request a *favorable* report on SB 515.

For more information, please contact:
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⁴ "Variation in Use and Content of Prescription Drug Step Therapy Protocols, Within and Across Health Plans," Health Affairs, November 2021. www.healthaffairs.org/doi/10.1377/hlthaff.2021.00822