



Maryland Community Health System

Committee: Senate Finance Committee

Bill Number: Senate Bill 515 - Health Insurance – Step Therapy or Fail–First Protocol – Revisions

Hearing Date: February 22, 2023

Position: Support

Maryland Community Health System (MCHS) is in strong support of *Senate Bill 515 – Health Insurance – Step Therapy or Fail–First Protocol – Revisions*. This bill requires a carrier to establish a process for requesting an exception to a step therapy protocol, and exempts from step therapy protocols a prescription drug that is used to treat the insured or enrollee’s mental disorder or condition under certain conditions.

Step therapy is a policy implemented by insurance companies to require patients to try an initial course of inexpensive medications before moving on to more expensive treatments. The intent of the law on step therapy is to reduce the cost of healthcare, but it is not achieving this goal. Instead, it is causing delays in treatment, risking the health of the patient, and increasing the overall cost of healthcare. Our network of federally-qualified health centers focuses on providing care to underserved communities and consistently see delays in our patient’s care because of certain step therapy protocols.

The current law does not provide adequate protections for patients who need specialty medications, especially for medication to treat mental disorders. It does not take into account the medical necessity of a particular treatment, nor does it require treatments to be approved in a timely manner. In addition, the bill would require insurance companies to provide an appeals process for patients who are denied a higher cost medication. This would ensure that patients can contest their denial and that their voices are heard in the process. This appeal process would be done in a timely manner, which would reduce delays in treatment and hopefully improve health outcomes. This legislation ultimately offers an opportunity to create a better system.

We ask for the Committee’s full support of this legislation. We are committed to working with the Committee and other stakeholders as you review this bill. Thank you for your consideration of our testimony, and we urge a favorable vote. If we can provide any further information, please contact Michael Paddy at mpaddy@policypartners.net.