



# MARYLAND TECH COUNCIL

**TO:** The Honorable Pamela Beidle, Chair  
Members, Senate Finance Committee  
The Honorable Stephen S. Hershey, Jr.

**FROM:** Andrew G. Vetter  
Pamela Metz Kasemeyer  
J. Steven Wise  
Danna L. Kauffman  
Christine K. Krone  
410-244-7000

**DATE:** February 28, 2024

**RE:** **SUPPORT** – Senate Bill 595 – *Health Benefit Plans – Calculation of Cost Sharing Contribution – Requirements and Prohibitions*

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The Maryland Tech Council (MTC) writes in **support** of *Senate Bill 595: Health Benefit Plans – Calculation of Cost Sharing Contribution – Requirements and Prohibitions*. We are a community of nearly 800 Maryland member companies that span the full range of the technology sector. Our vision is to propel Maryland to become the number one innovation economy for life sciences and technology in the nation. We bring our members together and build Maryland’s innovation economy through advocacy, networking, and education.

This bill would require insurance carriers and pharmacy benefit managers to include cost sharing amounts paid by third parties when calculating a patient’s co-pay or coinsurance. There are existing programs under which charities, non-profits, and drug manufacturers will provide copay assistance to offset the out-of-pocket medication costs for qualified patients. Many such patients are low income and rely on this assistance to afford critical medication. These types of programs are commonly used for patients with rare diseases or other chronic disorders, such as primary immunodeficiencies. The amount of co-pay assistance is intended to be counted toward a patient’s deductible, co-insurance, or out-of-pocket maximum, decreasing the amount a patient must pay out-of-pocket.

Unfortunately, there has been a rise in insurance copay accumulator programs, which do not allow copay assistance to count toward deductibles or out-of-pocket maximums. With passage of this bill, Maryland would join the 19 other states that have banned co-pay accumulators. Passage of this bill would have an immediate impact on the out-of-pocket costs patients face for the cost of prescription drugs. Prescription drug affordability has been a major focus of the Maryland General Assembly, and separate legislation is being considered to expand the authority of the Prescription Drug Affordability Board. As MTC testified during the hearing on that legislation, we do not believe such an expansion will have the intended effect of lowering costs for patients. We believe that the solution offered in Senate Bill 595 would provide immediate relief to patients. For these reasons, we urge a favorable report.