



Senate Finance Committee
February 26, 2025

Senate Bill 773 – *Health Benefit Plans – Calculation of Cost-Sharing Contribution – Requirements*

POSITION: SUPPORT

The Maryland Tech Council (MTC), with over 800 members, is the State's largest association of technology companies. Our vision is to propel Maryland to be the country's number one innovation economy for life sciences and technology. MTC brings the State's life sciences and technology communities into a single, united organization that empowers members to achieve their goals through advocacy, networking, and education. On behalf of MTC, we submit this letter of support for Senate Bill 773.

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 co-insurance. There are existing programs under which charities, non-profits, and drug manufacturers will provide co-pay 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 co-pay accumulator programs, which do not allow co-pay assistance to count toward deductibles or out-of-pocket maximums. With the passage of this bill, Maryland would join the 21 other states requiring insurers to count co-pay assistance toward patient deductibles and out-of-pocket maximums. Passage of this bill would immediately impact 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 patient costs. The solution offered in Senate Bill 773 would provide immediate relief to patients. For these reasons, we urge a favorable report.

For more information call:

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