

SB 646 - Testimony.pdf

Uploaded by: C. Anthony Muse

Position: FAV



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony

SB 646: Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols

Good afternoon, Chair Beidle, Vice Chair Hayes and Members of the Finance Committee. Senate Bill 646, Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols would **prohibit** insurance companies, nonprofit health service plans, and health maintenance organizations (HMOs) from requiring a step therapy or fail-first protocol for insulin and similar diabetes medications. Maryland has been a leader in protecting and expanding access to insulin and other essential treatments for patients with diabetes.

In 2022, bill sponsors Chair Pena Melnyk and Chair Feldman made significant steps to protect patients by capping insulin prescription copayments at \$30 for a 30-day supply. This measure helped shield individuals from excessive out-of-pocket costs. However, insurance policies mandating step therapy or fail-first protocols continue to create barriers, as patients are required to try and fail on less expensive medications before they can access their prescribed insulin therapies.

SB 646 builds on Maryland's progress in protecting patients by prohibiting insurers, nonprofit health service plans, and health maintenance organizations from imposing unnecessary delays in providing insulin and similar medications. Healthcare providers should have the final say in selecting the appropriate insulin, as insulin needs vary significantly from patient-to-patient. Patients should be able to access their treatments that their healthcare providers deem most effective without jumping through bureaucratic hoops.

By eliminating these restrictions on insulin and related medications, this bill:

1. Allows for personalized care based on medical necessity rather than cost-saving mechanisms imposed by insurers; and
2. Ensures patients receive their prescribed insulin promptly is likely to prevent complications, emergency room visits, hospital admissions, and costly interventions.

The General Assembly's past efforts to make insulin more affordable underscores its crucial role in diabetes management. However, affordability means little if patients face delays in accessing the most appropriate insulin due to step therapy restrictions. Such delays can result in uncontrolled blood sugar levels, leading to severe complications like neuropathy, kidney failure, and cardiovascular diseases. By ensuring immediate access to prescribed insulin therapies, we

not only prevent unnecessary suffering but also reduce the long-term healthcare costs associated with managing preventable diabetes complications.

It is for these reasons; I respectfully urge a favorable report for SB 646.

SB0646_Health_Insurance_-_Insulin_-_Prohibition_on

Uploaded by: Cecilia Plante

Position: FAV



TESTIMONY FOR SB0646

Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols

Bill Sponsor: Senator Muse

Committee: Finance

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Aileen Alex, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0646 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

Our members are concerned about the impact on our residents' health of step therapy or fail-first protocols by health insurance companies instead of insulin or similar medications used to treat diabetes. These protocols require patients to try and fail on less expensive or alternative medications before the insurer will cover the originally prescribed medication. This trial-and-error method could cause further damage from uncontrolled diabetes than if the prescribed medication was used in the first place!

The bill prohibits these insurers from mandating that patients try other diabetes medications before covering insulin or insulin-like drugs for patients with Type 1, Type 2, or gestational diabetes. By eliminating step therapy requirements for insulin, the bill aims to ensure that patients with diabetes can more quickly access the specific insulin medications prescribed by their healthcare providers, potentially improving patient care and treatment outcomes.

This bill benefits Marylanders by promoting timely access to necessary insulin medications, reducing the burden of navigating step therapy protocols, and improving overall health outcomes for individuals with diabetes. By ensuring that patients can receive the medications they need without unnecessary delays, the bill supports better management of diabetes and reduces the risk of complications associated with the disease.

Overall, SB0646 aims to create a more equitable and supportive healthcare environment for individuals with diabetes in Maryland. By addressing the barriers imposed by step therapy protocols, the bill enhances patient care, promotes fairness in the healthcare system, and contributes to the well-being of Marylanders living with diabetes.

Therefore, the Maryland Legislative Coalition wholeheartedly supports this bill and recommends a FAVORABLE report in committee.

SB0646_FAV_MedChi_HI - Insulin - Prohibition on St

Uploaded by: Danna Kauffman

Position: FAV



The Maryland State Medical Society
1211 Cathedral Street
Baltimore, MD 21201-5516
410.539.0872
Fax: 410.547.0915
1.800.492.1056
www.medchi.org

Senate Finance Committee

February 26, 2025

Senate Bill 646 – *Health Insurance – Insulin – Prohibition on Step Therapy or Fail-First Protocols*

POSITION: SUPPORT

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, supports Senate Bill 646, which exempts from step therapy protocols a prescription drug that is insulin or an insulin analog that is used to treat an insured's Type 1, Type 2 or gestational diabetes.

Step therapy allows a health insurance carrier to require a patient to “first fail” on medications, often less costly medications, prior to taking the medication preferred by the physician or other prescriber. While Maryland currently has protections for those who have been on a drug for 180 days, there is little protection for those who have been newly diagnosed, except for an override protocol where the insurer remains the final decision maker.

The concern with implementing step therapy for insulin is that it can delay patients from accessing the most effective insulin treatment for their specific medical needs. Uncontrolled diabetes can lead to increased health complications and harmful patient outcomes. MedChi does not believe that step therapy protocols are appropriate for prescription drugs to treat diabetes, and we urge a favorable vote.

For more information call:

Danna L. Kauffman
J. Steven Wise
Andrew G. Vetter
Christine K. Krone
410-244-7000

2025 MCHS SB 646 Senate Side.pdf

Uploaded by: Jennifer Navabi

Position: FAV



Maryland Community Health System

Bill Number: Senate Bill 646 – Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols

Committee: Senate Finance Committee

Hearing Date: February 26, 2025

Position: Support

The Maryland Community Health System (MCHS) supports *Senate Bill 646 – Health Insurance – Insulin – Prohibition on Step Therapy or Fail-First Protocols*. This bill would prohibit state regulated health plans from imposing step therapy or fail-first protocols on enrollees for insulin or a prescribed analog that is used to treat type 1, 2, or gestational diabetes.

As a network of federally qualified health centers, we provide somatic, behavioral, and oral health services to underserved communities. Approximately 11% of the adult population in Maryland have diagnosed diabetes,¹ which can have devastating consequences. Step therapy is a tool designed for cost containment that does not take into account an individual's specific medical history. It does not account for potential delays to treatment that would, if not for a step therapy requirement, be prescribed by the patient's health care provider who knows their medical history best. These treatment delays could risk severe side effects and even increase disease progression.

We ask for a favorable report. If we can provide additional information, please contact Robyn Elliott at relliott@policypartners.net.

¹ https://diabetes.org/sites/default/files/2024-03/adv_2024_state_fact_maryland.pdf

2025 MdAPA SB 646 Senate Side.pdf

Uploaded by: Jennifer Navabi

Position: FAV



To: Senate Finance Committee

Bill: Senate Bill 646 – Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols

Date: February 26, 2025

Position: Favorable

The Maryland Academy of Physician Assistants (MdAPA) strongly supports *Senate Bill 646 – Health Insurance - Insulin - Prohibition on Step Therapy or Fail-First Protocols*. The bill prohibits private and public insurers from requiring step therapy or a fail-first protocol for insulin or a drug that is used to treat type 1, type 2, or gestational diabetes.

Fail-first protocols and step therapy both refer to insurance practices which require patients to fail on the insurer's preferred drug, or drugs, before a patient can take the drug originally prescribed. By limiting the medication options, both providers and patients are forced to compromise their treatment decisions in a way that is dangerous and time consuming. A national poll from the PAN Foundation found that most adults (55 percent) who have been required to 'fail first' say the policy delayed their access to the medication their healthcare provider originally prescribed by up to 11 weeks.ⁱ These types of delays can increase a person's risk of health complications such as cardiovascular disease, atherosclerosis, stroke, peripheral artery disease, and chronic kidney disease.ⁱⁱ This practice can result in serious negative consequences for consumers and the public health system.

We ask for a favorable report. If we can provide any further information, please contact Robyn Elliott at relliott@policypartners.net.

ⁱ <https://www.panfoundation.org/national-polling-fail-first-policies-harm-patients-by-delaying-access-to-medications/>

ⁱⁱ <https://www.heart.org/en/health-topics/diabetes/diabetes-complications-and-risks>

SB646_ADA_FAV

Uploaded by: Monica Billger

Position: FAV



In Favor of: Senate Bill 646 (HB 970)

Health Insurance – Insulin – Prohibition on Step Therapy or Fail-First Protocols

Monica Billger, State Government Affairs Director

American Diabetes Association

February 26, 2025

Chair Beidle, Vice Chair Hayes and Honorable Members of the Senate Finance Committee:

Thank you for the opportunity to speak on behalf of the American Diabetes Association and the over half million Marylanders living with diabetes. The ADA expresses our **support** for diabetes champion Senator Muse and **Senate Bill 646** – which prohibits certain insurers, nonprofit health service plans, and health maintenance organizations from imposing a step therapy or fail-first protocol for insulin.

The ADA commends Maryland for its strong patient-centered leadership in addressing the diabetes epidemic and affordable, timely access to treatment. Because many patients with diabetes rely on insulin to manage their condition and prevent life-threatening complications we want to build on existing best practices through this important legislation. SB 646 ensures that providers, not insurers, have the final say in selecting the appropriate insulin for their patients now and in the future.

Insulin is not a "one size fits all" medication, and access to the right insulin at the right time is critical for effective diabetes management. Diabetes is a chronic condition that requires precise management, and unnecessary delays can cause long-term damage to patients' health, including increased risks for heart disease, kidney failure, nerve damage, and blindness. Step therapy can delay access to optimal insulin, potentially leading to uncontrolled blood sugar levels, hospitalization, or worse. We have heard from folks around the country - stories where patients allergic to certain insulins are developing rashes - even going into anaphylactic shock - and still not being able to access their insulins due to step therapy requirements.

These preventable health emergencies not only jeopardize patient health but also increase healthcare costs for both patients and the system as a whole. Insulin is a life-saving medication, and Marylanders should not be subject to potentially harmful delays in accessing the treatment that best suits their medical needs.

We respectfully request the committee for a favorable report, thank you.

SB646_ADV_2024StateFactSheets

Uploaded by: Monica Billger

Position: FAV

The Burden of Diabetes in Maryland

Diabetes is an epidemic in the United States. According to the Centers for Disease Control and Prevention (CDC), over 38 million Americans have diabetes and face its devastating consequences. What's true nationwide is also true in Maryland.

Maryland's diabetes epidemic:

- Approximately 578,400 adults in Maryland, or 10.5% of the adult population, have diagnosed diabetes.
- Every year, an estimated 35,000 adults in Maryland are diagnosed with diabetes.

The serious complications of diabetes include heart disease, stroke, amputation, end-stage kidney disease, blindness—and death.

Diabetes Is Expensive

Americans with diabetes have medical expenses approximately 2.6 times higher than those without. The total estimated cost of diagnosed diabetes in the U.S. was \$412.9 billion in 2022, including \$306.6 billion in direct medical costs and \$106.3 billion in reduced productivity attributable to diabetes.

In Maryland, diagnosed diabetes costs an estimated \$8 billion each year. In 2022:

- Total direct medical expenses for diagnosed diabetes in Maryland were estimated to be \$6 billion
- In addition, there were \$2 billion in estimated indirect costs from lost productivity due to diabetes

In addition to the work of the American Diabetes Association® to improve lives, prevent diabetes, and find a cure:

In 2024, the National Institute of Diabetes and Digestive and Kidney Diseases at the National Institutes of Health invested \$9,713,572 in diabetes-related research projects in Maryland.

The Division of Diabetes Translation at the CDC provided \$3,222,500 in diabetes prevention and educational grants in Maryland in 2023.

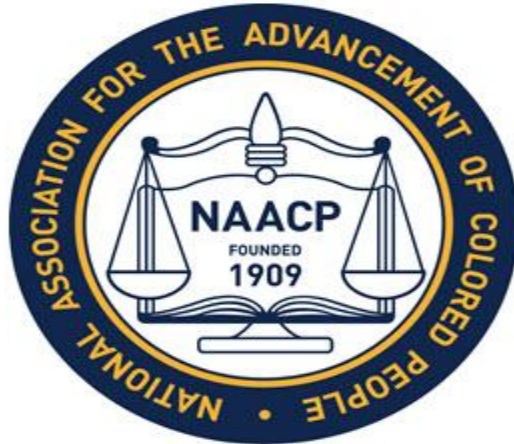
Sources can be found at diabetes.org/SFSSources.
Find more statistics at diabetes.org/Statistics.

- 136 million Americans have diabetes or prediabetes
- 1.2 million Americans are diagnosed with diabetes every year
- About 1 in 3 seniors in the United States has diabetes
- Diabetes contributes to the death of nearly 400,000 Americans annually

Support SB 0646.pdf

Uploaded by: Ryan Coleman

Position: FAV



Randallstown

Po Box 731 Randallstown, MD 21133

February 24, 2025

Finance Committee
3 East Miller Senate Office Building
3 East Miller Senate Office Building
Annapolis, Maryland 21401

**RE: SUPPORT SB 0646 Health Insurance - Insulin - Prohibition
on Step Therapy or Fail-First Protocols**

Dear Honorable Chair Beidle, VC Hayes, and members of the committee:

The Randallstown NAACP is a chapter of the NAACP located in Baltimore County. The branch has over 500 members from Baltimore County and the region. May it be known the mission of the Randallstown NAACP is to secure equal rights in order to eliminate race-based discrimination and address health disparities.

The Randallstown Branch of the NAACP urges a favorable report from the committee on SB 0646.

yours,

Ryan Coleman

Randallstown NAACP, President

<https://randnaacp.org/>

<https://www.facebook.com/NAACPrandallstown>

<https://www.instagram.com/naacprandallstown>

DOCS-#238943-v1-SB_646_League_OPPOSE_Mandate.pdf

Uploaded by: Matthew Celentano

Position: UNF



15 School Street, Suite 200
Annapolis, Maryland 21401
410-269-1554

February 26, 2025

The Honorable Pam Beidle
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, MD 21401

Senate Bill 646 – Health Insurance – Insulin – Prohibition on Step Therapy of First-Fail Protocols

Dear Chair Beidle,

The League of Life and Health Insurers of Maryland, Inc. respectfully opposes *Senate Bill 646 – Health Insurance – Prohibition on Step Therapy of First-Fail Protocols* and urges the committee to give the bill an unfavorable report.

Carriers are confused on why this bill is needed in the first place. We are not aware of any carrier in Maryland that imposes a step therapy requirement on insulin, and there are already cost caps on the drugs to protect consumers. This seems like a legislative initiative in search of a problem. Carriers are also extra sensitive around insulin initiatives in general. These drugs were invented over a century ago for an investment of around one dollar and the list prices have skyrocketed since over the last few decades in an unjustifiable way. Drug manufacturers have used pricing tactics to extract the most amount of dollars from basically everyone in the health care ecosystem including carriers.

League members are also concerned about the language in Senate Bill 646 on page 3, lines 1-5. The bill says that a carrier may not impose a step therapy requirement on an insulin analog or other prescription drug that performs a similar function to insulin, regardless of the activation period, whether the solution is mixed before or after dispensing, or whether the drug is administered by injection or inhalation. We are very worried that this language could be interpreted by some to include GLP-1 medications which would have dramatic implications for health insurance affordability. A similar bill was introduced during the 2024 Maryland General Assembly that had a \$1 Billion fiscal note in the Medicaid program alone. This confusing language should be stricken.

Traditionally, under the ACA, each state must pay for every health plan purchased through the Maryland Health Benefit Exchange, the additional premium associated with any state-mandated benefit beyond the federally mandated essential health benefits. This means, should the Commissioner include the mandate in

the State benchmark plan, the State would be required to defray the cost of the benefits to the extent it applies to the individual and small group market ACA plans.

The League opposes any additional mandated benefits to Maryland's law. While this bill is not a traditional mandate piece of legislation, because there is only one medication approved by the FDA, in essence it creates a coverage mandate for the only drug in its class. Mandated benefits add cost to health insurance policies in our state and limit the ability of insurers to design benefits to best meet the needs of enrollees. Given the potential impact to health insurance costs in the State, Maryland law includes a statutory framework for review and evaluation of proposed mandated benefits by the Maryland Health Care Commission under § 15-1501 of the Insurance Article. The law requires the assessment of a proposed mandate for the social, medical and financial impact of the proposed mandate and equips the General Assembly with such information as the extent to which the service is generally utilized by a significant portion of the population; the extent to which the insurance coverage is already generally available; if coverage is not generally available, the extent to which the lack of coverage results in individuals avoiding necessary health care treatments; if coverage is not generally available, the extent to which the lack of coverage results in unreasonable financial hardship; and the level of public demand for the service. Before adopting this or any other mandated health benefit, we urge the Committee first request an evaluation of the proposed benefit to facilitate an informed decision.

For these reasons, the League urges the committee to give Senate Bill 646 an unfavorable report.

Very truly yours,

A handwritten signature in black ink, appearing to read "Matthew Celentano", with a long horizontal flourish extending to the right.

Matthew Celentano
Executive Director

cc: Members, Senate Finance Committee