The League of Life
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of Maryland

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The Honorable Joseline Pena-Melnyk
Chair, House Health and Government Operations Committee
Room 241
House Office Building
Annapolis, MD 21401

House Bill 1013 – Maryland Medical Assistance Program and Health Insurance – Nonopioid Drugs for the Treatment of Pain

Dear Chair Pena-Melnyk,

The League of Life and Health Insurers of Maryland, Inc. respectfully **opposes** *House Bill 1013 – Maryland Medical Assistance Program and Health Insurance – Nonopioid Drugs for the Treatment of Pain* and urges the committee to give the bill an unfavorable report.

In January, the U.S. Food and Drug Administration (FDA) approved a drug, a first-in-class non-opioid analgesic to treat moderate to severe pain in adults. This is a major step for a potentially new approach in the non-opioid class of drugs, but it would be premature at best to prohibit carrier medical management of a drug that has literally been approved for a month. Furthermore, because there is only one currently approved pharmaceutical from the FDA, the passage of House Bill 1013 would create a complete and unfettered monopoly for the drug manufacturer of the medication including unrestricted ability to further raise costs on Maryland consumers.

In the FDA's approval of the drug they noted that the most common adverse reactions in study participants who received the newly approved medication were itching, muscle spasms, increased blood level of creatine phosphokinase, and rash. The drug is contraindicated for concomitant use with strong CYP3A inhibitors. Additionally, patients should avoid food or drink containing grapefruit when taking the medication. All of these side effects and interactions with the medication only make medical management and utilization prohibited by Senate Bill 974 more important to the patient.

Tangentially, 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 House Bill 1013 an unfavorable report.

Very truly yours,

Matthew Celentano
Executive Director

cc: Members, House Health and Government Operations Committee