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House Health and Government Operations Committee  
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House Bill 1246 – *Health Benefit Plans – Calculation of Cost Sharing Contributions – Requirements*  
**POSITION: SUPPORT**

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, supports House Bill 1246.

House Bill 1246 requires carriers, when calculating the overall contribution to an out-of-pocket maximum or a cost-sharing requirement, to include any payments made by, or on behalf of, the insured, subscriber, or member, which includes co-pay assistance programs. Simply stated, House Bill 1246 prohibits a carrier from excluding the amount paid by a co-pay assistance program or similar program in determining when the patient reaches his/her out-of-pocket maximum or other cost-sharing requirement, such as his/her deductible.

Co-pay assistance programs help patients with the out-of-pocket costs of deductibles, coinsurances, and co-pays. For example, using a co-pay assistance program, if the out-of-pocket charge to fill a prescription for the patient is \$50, the patient may pay \$10, and a co-pay assistance program would pay the remaining \$40. If the patient's carrier has adopted an accumulator program, rather than applying the full \$50 towards the patient's deductible, the carrier only applies the \$10 paid by the patient, making it significantly more difficult for a patient to meet their annual deductibles and be provided with full drug coverage. Essentially, accumulator programs simply shift the benefit of the program from patients to the carriers since the patient must still meet the same deductible but without the benefit of the co-pay assistance program.

As employers continue to utilize high-deductible plans, this concern becomes more pronounced. For patients with chronic conditions and high health care costs, the benefit of co-pay assistance programs is essential in receiving their medications. House Bill 1246 is a consumer protection bill that protects patients from unfair practices where the carrier reaps the benefits of the co-pay assistance program AND the full cost-sharing requirement of the patient before having to pay for the full drug coverage of the patient. We urge a favorable vote.

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