DPAC Written Testimony MD SB 837.pdf
Uploaded by: April Gutmann
Position: FAV

DIABETES PATIENT ADVOCACY COALITION

March 4, 2026

Maryland Senate Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St.
Annapolis, MD 21401

RE: Support for SB 837 *Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board*

Dear Chair Beidle, Vice Chair Hayes, and Members of the Maryland Senate Finance Committee,

On behalf of the Diabetes Patient Advocacy Coalition (DPAC), I write to express our strong support for SB 837.

DPAC is an alliance of people with diabetes, caregivers, patient advocates, health professionals, and others working together to support public policy initiatives to improve the lives of Americans living with and at risk for diabetes and its complications. As an organization run by and for people with diabetes, DPAC seeks to ensure quality of and access to care, medications and devices that our community depends on everyday.

Over the past year, DPAC has been actively engaging with the Maryland Prescription Drug Affordability Board (PDAB) to ensure that the patient perspective remains central to affordability discussions. We have closely followed the Board's review of medications relevant to people living with diabetes, including Farxiga, Jardiance, Ozempic, and Trulicity. Throughout the process, we have consistently urged the Board to prioritize reforms that directly reduce patient out-of-pocket costs while protecting uninterrupted access to medically essential therapies.

We strongly support efforts to make prescription drugs more affordable. However, what patients pay at the pharmacy counter is primarily determined by health insurance benefit design — including deductibles, coinsurance, formulary placement, and utilization management requirements. Without guardrails, system-level payment reforms such as Upper Payment Limits (UPLs) may not translate into lower out-of-pocket costs for patients. In some cases, they may

instead prompt insurers to increase utilization management, move medications to less favorable formulary tiers, or impose new restrictions that make it harder for patients to access the treatments their providers prescribe.

For people with diabetes, access disruptions are not theoretical concerns — they are immediate health risks. Utilization management tools such as prior authorization and step therapy were originally intended to be used sparingly to confirm medical necessity for high-cost or unusual treatments. Today, they are frequently applied even to long-established, clinically essential medications. Patients who have been stable on a therapy for years can suddenly face delays, denials, or forced switches. When treatment is interrupted, glucose control can quickly deteriorate, increasing the risk of emergency department visits, hospitalization, and long-term complications such as kidney disease, vision loss, cardiovascular events, and amputations.

SB 837 is important because it recognizes this real-world risk. By limiting the use of utilization management tools for drugs subject to a UPL, the bill ensures that cost-containment policies do not inadvertently create new access barriers for patients. This safeguard helps ensure that any affordability measures adopted by the state translate into meaningful relief for patients — not new administrative hurdles that jeopardize their health.

Affordability and access must go hand in hand. SB 837 strikes that balance by protecting patients from unintended consequences while Maryland continues its important work to address prescription drug costs.

We respectfully ask for a favorable report on SB 837.

Sincerely,

George Huntley
Chief Executive Officer
Diabetes Patient Advocacy Coalition

SB0837_FAV_MedChi_MMAP & HI - Coverage & Utilizati

Uploaded by: Danna Kauffman
Position: FAV

MedChi

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House Health Committee
March 4, 2026
Senate Bill 837 – *Maryland Medical Assistance Program and Health Insurance – Coverage and Utilization Review – Drugs Reviewed by the Prescription Drug Affordability Board*
POSITION: SUPPORT

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, **supports** Senate Bill 837, which prohibits an insurance carrier from limiting, restricting, or excluding coverage of a prescription drug on the carrier's formulary if the prescription drug has been reviewed by the Prescription Drug Affordability Board and the Board has taken certain actions, such as setting an upper payment limit for the drug.

Carriers often argue that utilization review standards are necessary to control costs. However, for prescription drugs reviewed by the Board, the Board's oversight already provides a mechanism to control cost and ensure appropriate use. Therefore, additional utilization review may be redundant, creating an administrative burden without improving patient safety or outcomes. Eliminating these standards could streamline access to medications, reduce therapy delays, and allow providers to focus on clinical decision-making rather than on bureaucratic compliance.

MedChi urges a favorable vote on Senate Bill 837.

For more information call:
Danna L. Kauffman
J. Steven Wise
Andrew G. Vetter
Christine K. Krone
410-244-7000

VCC Comment MD SB 837.pdf
Uploaded by: Derek Flowers
Position: FAV

Value of Care Coalition

March 4, 2026

The Honorable Pamela Beidle, Chair
The Honorable Antonio Hayes, Vice Chair; and
Members of the Maryland Senate Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St.
Annapolis, MD 21401

RE: SUPPORT - SB 837 ***Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board***

Chair Beidle, Vice Chair Hayes, and Members of the Committee:

On behalf of the Value of Care Coalition — a broad network of patient, health care provider, and caregiver organizations committed to improving health care affordability and access — we appreciate the opportunity to submit written comments in **SUPPORT** of SB 837. We also thank Senator Ready for his engagement on this important issue.

As you know, the Prescription Drug Affordability Board's (PDAB) authority to establish Upper Payment Limits (UPLs) is currently the Board's primary — and effectively only — direct policy tool to address prescription drug costs. A UPL places a ceiling on the amount that health plans and other payers may reimburse for a specific drug in the state.

The Value of Care Coalition has consistently expressed concerns about the implementation of upper payment limits. We remain cautious about policies that rely on reimbursement caps as a cost-containment strategy, particularly where there is uncertainty about how plans, pharmacy benefit managers, and manufacturers may respond. Currently, there are no policies to mitigate the potential for unintended consequences that could disrupt patient access, destabilize provider reimbursement, or lead to new coverage restrictions.

That said, if UPL authority exists and may be implemented, it is essential that patients are protected from cost shifting and new barriers to care.

It is important that policymakers clearly consider what setting a UPL does — and does not — do. A UPL caps what a plan pays for a drug. It does not automatically reduce what patients pay at the pharmacy counter. It does not prevent insurers from increasing copays or coinsurance. It does not prohibit moving a drug to a higher-cost tier. And it does not restrict plans from adding or expanding prior authorization, step therapy, or other utilization management tools.

In other words, even if a UPL successfully lowers reimbursement at the plan level, patients may see no improvement — and could potentially face greater obstacles — absent the clear statutory guardrails in SB 837.

To better understand how plans may respond to UPL implementation, Avalere conducted double-blind interviews and a national survey of health plan representatives. In the survey results, 67 percent of payers indicated that patient cost sharing would either increase or remain the same if a UPL were implemented. Fifty percent reported they would increase utilization management requirements, and 50 percent anticipated raising copays or coinsurance. These findings underscore our concern that reimbursement caps alone do not guarantee improved affordability for patients.[1]

To further understand the burden on patients, the Value of Care Coalition is currently conducting a Maryland-specific review of tiering and utilization management practices for drugs reviewed by the PDAB. Our analysis of 2026 health plans further shows that patients are already facing significant access challenges. Across the six drugs reviewed by the PDAB in Maryland's commercial and Medicaid managed care markets, prior authorization and step therapy requirements are wide-spread, formulary exclusions are common, and formulary treatment varies greatly across plans leading to inconsistent patient cost and access. Several carriers place these medications on Tier 4 or Tier 5 specialty tiers with high coinsurance.[2]

This is the landscape in which any UPL would operate.

SB 837 recognizes these realities and proposes to provide modest patient protections to ensure continued access. The bill, as amended, ensures that if a UPL is implemented, insurers and Medicaid managed care organizations may not respond by increasing cost sharing, moving a drug to a more restrictive tier, imposing or expanding prior authorization or step therapy, removing the drug from the formulary, or otherwise reducing prescription drug coverage for drugs subject to the UPL.

Additionally, as amended, these protections would apply only in markets where a UPL is actually in effect and include a limited exception if the FDA raises safety concerns or if a drug is discontinued.

While our coalition continues to have reservations about the UPL model itself, we strongly believe that if the state is going to exercise this authority, patient protections must be firmly in place. SB 837 provides those necessary safeguards and helps ensure that Maryland patients do not bear the unintended consequences of reimbursement caps.

For these reasons, we respectfully urge a favorable report on SB 837.

Sincerely,

Derek Flowers
Value of Care Coalition

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[1] Partnership to Fight Chronic Disease, *Payer Perspectives Confirm UPLs Will Likely Raise Costs and Hinder Patient Access to Medicines,* March 2025, https://b11210f4-9a71-4e4c-a08f-cf43a83bc1df.usrfiles.com/ugd/b11210_1e92735a49744639ac37321c6320e8c8.pdf

[2] Value of Care Coalition, *Maryland Health Plan Formulary Analysis,* March 2026, https://valueofcarecoalition.org/wp-content/uploads/2026/03/MD-Health-Plan-Analysis-Initial-Findings-260302.pdf

SB0837_FAV_MTC_MMAP & HI - Coverage & Utilization

Uploaded by: Drew Vetter

Position: FAV

MARYLAND TECH COUNCIL
ADVANCING LIFE SCIENCES AND TECHNOLOGY

Senate Finance Committee
March 4, 2026
Senate Bill 837 – *Maryland Medical Assistance Program and Health Insurance – Coverage and Utilization Review – Drugs Reviewed by the Prescription Drug Affordability Board*
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 873.

Senate Bill 873 seeks to remove barriers such as prior authorization requirements and step therapy protocols for certain drugs that have undergone review by the Maryland Prescription Drug Affordability Board (PDAB). We thank the bill sponsors for introducing this legislation, which we understand is intended to make access to PDAB-reviewed medications easier and more predictable.

The bill's prohibition on unnecessary prior authorization, step therapy ("fail-first") requirements, and discriminatory formulary adjustments for drugs reviewed by the Board promotes predictability and transparency in coverage decisions. We are confident that these reforms will benefit Maryland patients by improving timely access to medically appropriate treatments, reducing administrative burdens on providers and patients, and aligning insurance practices with the PDAB's affordability determinations.

The bill also sends a strong message to Maryland's incredibly strong life sciences industry. Maryland's life sciences ecosystem includes 2,700 companies and 54,000 workers. These innovative companies and workers develop therapies, cures, and treatments that millions of patients depend on. According to the 2024 annual rankings from *Business Facilities*, Maryland ranks as the third-best State in the country for life sciences, behind only Massachusetts and California. Assets such as proximity to the National Institutes of Health ("NIH") and other federal Research and Development funding agencies, strong academic and medical institutions, and a highly skilled workforce, all combine to make Maryland a competitive state for life sciences. These are some of the reasons Governor Moore has rightly highlighted life sciences as one of the three "lighthouse industries of the future" and stated that his Administration wants Maryland to be the capital of biotech.

By removing patient access barriers for medications that have been through the PDAB's affordability review process, the legislature is sending a positive signal to the hundreds of innovative companies in Maryland researching, testing, developing, and manufacturing these critical medications.

For these reasons, we urge a favorable report on Senate Bill 873.

For more information call:
Andrew G. Vetter
J. Steven Wise
Danna L. Kauffman
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410-244-7000

Jacquean Kosh Written Testimony SB 837 - FAV.pdf
Uploaded by: Jacquean Kosh
Position: FAV

March 4, 2026

Maryland Senate Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St.
Annapolis, MD 21401

RE: SUPPORT - SB 837 ***Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board***

Dear Chair Beidle, Vice Chair Hayes, and Members of the Maryland Senate Finance Committee,

My name is Jacquean L. Kosh, and I live in Hyattsville, Maryland. I am writing today as a patient living with Type II diabetes, as an advocate with the Diabetes Patient Advocacy Coalition (DPAC), and as someone who depends on prescription medications to protect my long-term health. I strongly support SB 837.

I was diagnosed in 2008. Because both of my parents required dialysis—and my mother ultimately underwent a kidney transplant—protecting my kidney health has always been central to my treatment plan . My physician determined that Farxiga would be an important medication to help reduce my risk of serious kidney complications.

When you live with a chronic illness, stability matters. You work carefully with your doctor to choose the right medications. You follow your treatment plan. What you hope is that the health care system supports that plan rather than creating new uncertainty or financial strain.

When I first began taking brand-name Farxiga in 2022, I paid $40 for a 90-day supply. In 2024, my insurer transitioned me to the generic version. I expected that change would lower my costs. Instead, my out-of-pocket expense increased to $65 for the same 90-day supply .

I have also experienced significant inconsistencies across other medications. My insulin costs $65 for 90 days, while Mounjaro—a newer medication with a significantly higher list price—costs me only $35 per month or $25 for 90 days. From a patient's perspective, there is very little transparency about how these amounts are determined.

As an advocate with the Diabetes Patient Advocacy Coalition (DPAC), I work to elevate the voices of people living with diabetes who face similar affordability and access challenges. Through my advocacy, I have seen firsthand how inconsistent cost-sharing, prior authorization requirements, and step therapy protocols can delay care and create financial strain for patients across Maryland and beyond.

I have also personally engaged with the Maryland Prescription Drug Affordability Board (PDAB) by submitting public written comments describing my experience with Farxiga and my concerns

about affordability and access. I shared my story because decisions made by the PDAB have real consequences for patients like me.

I understand that one of the roles of the PDAB is to address situations where drug costs create affordability challenges for Marylanders. The PDAB has the authority to set an Upper Payment Limit (UPL) when it determines that a drug's cost presents such challenges. A UPL is the Board's only direct policy tool—it caps what can be paid for a drug.

In November 2025, the Maryland PDAB took steps toward approving caps on what the state would pay for Farxiga. While a final UPL may not be in place for several months, it appears likely that one is coming. As both a patient and an advocate, I am watching this process closely.

However, price action alone does not guarantee access.

Even after a UPL is set, insurers can still restrict access by requiring prior authorization, imposing step therapy or "fail-first" requirements, moving a drug to a higher cost-sharing tier, or increasing deductibles and coinsurance. For patients, these are not just policy mechanisms—they are delays in care, additional stress on providers, and unexpected financial burdens.

For individuals managing diabetes and related conditions, delays in care can have serious consequences, including disease progression and irreversible damage. If the state takes action to address affordability but insurers can shift costs back to patients through benefit design or utilization management, the intended patient benefit may not fully materialize.

That is why I strongly support SB 837.

For drugs subject to a PDAB-set Upper Payment Limit, SB 837 ensures that insurers and Medicaid managed care organizations may not:

- Require prior authorization
- Impose step therapy or fail-first protocols
- Remove the drug from the formulary
- Move the drug to a more restrictive formulary tier
- Increase copayments, coinsurance, or deductibles
- Reduce or limit prescription drug benefit coverage

The bill provides a limited exception only if the FDA raises safety concerns or the drug is discontinued.

As a patient and as an advocate, I am asking you to ensure that when Maryland acts to address prescription drug affordability, those actions translate into meaningful, reliable relief for patients. When the state caps what can be paid for a drug, patients should experience the benefit through stable coverage, predictable costs, and timely access.

Living with diabetes already requires constant vigilance and discipline. Patients should not also have to navigate shifting insurance rules that undermine efforts to make medications affordable.

I respectfully urge you to pass SB 837.

Thank you for your time and consideration.

Sincerely,

Jacquean L. Kosh
Hyattsville, Maryland

SB 837- Coverage and Utilization Review - Drugs Re

Uploaded by: Jake Whitaker

Position: FAV

Maryland
Hospital Association

Senate Bill 837- Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board

Position: *Support*
March 4, 2026
Senate Finance Committee

MHA Position

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment in support of Senate Bill 837.

This bill would improve affordability and access to drugs by prohibiting payers from imposing utilization management protocols (prior authorization, step therapy, and fail-first), as well as limiting, excluding, or restricting access to drugs that have been reviewed by the Prescription Drug Affordability Board (PDAB).

Prescription drug costs continue to rise at unsustainable rates, placing strain on patients, hospitals, and the broader health care delivery system. Due to these rising costs, health payers, including private carriers and the Maryland Medicaid Program, increasingly require patients to undergo step therapy, which is a process where the patient must first try and fail on another drug—often a less expensive variation—before being allowed to step up to the more expensive medication. Additionally, health payers frequently require patients to apply for prior authorization, where a health care provider must obtain permission from a patient's health plan before accessing critical prescription drugs. While these practices theoretically can control cost, in practice these protocols often delay treatment and can harm health outcomes for patients. MHA supports proposals to reduce unnecessary delays and administrative burdens for providers.

PDAB was established to protect Marylanders from rising prescription drug costs by conducting an in-depth review of certain high-cost drugs and recommending policy interventions when drug pricing creates affordability challenges for patients, providers, and payers. SB 837 ensures that drugs that have undergone this rigorous and transparent review process remain meaningfully accessible to patients. This is especially significant since the Board is evaluating several widely used and high-cost medications, including drugs used to treat diabetes, cardiovascular disease, and inflammatory conditions such as Ozempic, Jardiance, and Farxiga, among others. These medications play a critical role in managing chronic diseases that affect large numbers of Marylanders. Ensuring predictable and clinically appropriate access to these drugs is essential to improve health outcomes and prevent avoidable complications that ultimately increase costs across the health care system.

SB 837 supports a more transparent, predictable, and patient-centered prescription drug policy framework in Maryland that protects patients from both excessive drug costs and unnecessary

administrative barriers to care. These protections remain important regardless of whether the PDAB-reviewed drugs have been determined to pose an affordability challenge in the state or not.

As a member of the PDAB's stakeholder council, hospitals look forward to our continued partnership with the Board and the legislature to create sustainable solutions for access to affordable, comprehensive health insurance coverage.

For these reasons, we request a favorable report on SB 837.

For more information, please contact:
Jake Whitaker, Assistant Vice President, Government Affairs & Policy
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SB837 Maryland Medical Assistance Program and Heal

Uploaded by: Justin Ready

Position: FAV

JUSTIN READY
Legislative District 5
Carroll County

MINORITY WHIP

Finance Committee

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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 4, 2026

Senate Finance Committee
Maryland General Assembly
Annapolis, Maryland

Senate Bill 837 Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board

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

I am writing to present Senate Bill 837 and to respectfully request your favorable consideration. Let me begin candidly. I have not historically supported government price-setting mechanisms such as Upper Payment Limits (UPLs). I believe in competitive markets, transparency, and fiscal discipline. However, the Prescription Drug Affordability Board (PDAB) framework is now law, and the Board is proceeding under its statutory authority. Given that reality, if the State sets a UPL on a drug deemed unaffordable, we have an obligation to ensure that action translates into meaningful patient access and measurable benefit.

That is the purpose of SB 837.

During the Committee's January briefing on PDAB implementation, thoughtful and important questions were raised about how Upper Payment Limits will function in practice. The Board has made preliminary affordability determinations for certain high-cost drugs and is moving toward potential UPLs. At the same time, it was acknowledged that patient savings may depend heavily on benefit design — particularly coinsurance structures — and that transparency into net pricing remains limited.

A price ceiling alone does not guarantee lower out-of-pocket costs or improved access. If a UPL is imposed but insurers respond by increasing deductibles, shifting drugs to more restrictive formulary tiers, adding prior authorization requirements, or imposing step therapy protocols, the intended benefit may never reach patients.

To better understand the access landscape, a formulary analysis of drugs currently under PDAB review was commissioned by the Value of Care Coalition and prepared by John-Pierre Cardenas, formerly of the Maryland Health Benefit Exchange *(see link to the analysis' topline findings below)*. The analysis showed significant variability across carriers in tier placement and utilization management. Some drugs were placed on specialty tiers with high coinsurance; prior authorization and step therapy were common; and in certain markets coverage was absent altogether.

The issue is not improper conduct. The issue is inconsistency. If the State determines that a drug presents affordability challenges and caps its price, we should ensure that access protections preserve the intended impact of that decision.
SB 837 provides that policy coherence.

As amended, the bill addresses concerns raised by the Maryland Prescription Drug Affordability Board's Executive Director, Andy York. First, its protections now only apply to drugs subjected to a UPL. It does not interfere with cost review, preliminary determinations, or the Board's analytical process. Second, the bill applies only in markets where a UPL has actually been implemented. It does not automatically extend restrictions to the commercial market.

For drugs subject to a UPL, insurers and Medicaid managed care organizations may not impose new prior authorization requirements, step therapy, higher cost-sharing, more restrictive tier placement, formulary removal, or reductions in prescription drug coverage. A narrow exception is included for FDA safety concerns or drug discontinuation.

Regardless of one's position on UPLs as a policy tool, once the State exercises that authority, it should ensure the decision has real-world meaning. SB 837 ensures that implementation aligns with legislative intent and that affordability determinations result in tangible benefit for Maryland patients.

For these reasons, I respectfully request a favorable report on Senate Bill 837.
Sincerely,

Justin Ready
Maryland State Senator

Value of Care Commissioned PDAB Analysis of Drugs Currently Being Reviewed by the PDAB Topline Findings:
https://valueofcarecoalition.org/wp-content/uploads/2026/03/MD-Health-Plan-Analysis-Initial-Findings-260302.pdf

Written Testimony MD SB 837.pdf
Uploaded by: Melissa Horn
Position: FAV

March 2, 2026

The Honorable Pamela Beidle, Chair
The Honorable Antonio Hayes, Vice Chair
Senate Finance Committee
3 Miller East Senate Office Building
Annapolis, MD 21401

Re: Support for SB 837

Dear Chair Beidle, Vice Chair Hayes, and Members of the Committee:

As a Maryland resident, patient living with cancer and an advocate for the more than 1 million Marylanders living with doctor-diagnosed arthritis, thank you for the opportunity to submit testimony in support of SB 837. This legislation is critical to ensuring that the state's prescription drug affordability efforts translate into meaningful, real-world access improvements for patients living with chronic and disabling conditions.

For people living with arthritis, timely access to prescribed medications is essential to preventing irreversible joint damage, chronic pain, and long-term disability. Patients rely on medications to control their disease and preserve mobility. Delays or disruptions in treatment can result in disease flares, permanent joint deterioration, and loss of function. It is similar for those living with cancer and other chronic diseases – management of the disease is the hardest and simultaneously the most important part of treatment.

While Maryland Prescription Drug Affordability Board (PDAB) and the establishment of upper payment limits (UPLs), attempts to increase affordability for patients, these reforms must be paired with strong patient protections to ensure unintended consequences of an UPL do not negatively affect access. Payment limits do not automatically ensure that patients will realize reduced cost-sharing responsibilities or less burdensome utilization management protocols such as repeat prior authorizations. There is also concern that availability of medications with UPLs may be reduced as supply may be impacted by price limitations. In summary, the implementation of a UPL could vary substantially from the intent to save patients money and without additional protections, the unintentional added costs can add up.

SB 837 helps ensure that once a UPL is implemented, patients are not met with new or intensified utilization management practices that undermine affordability goals. By limiting certain utilization management tools on drugs subject to a UPL, the bill ensures that affordability reforms do not inadvertently shift burdens onto patients with serious chronic conditions and savings achieved at the system level are reflected in patient experience.

When arthritis, cancer and other chronic diseases are well managed, individuals are better equipped to remain in the workforce, care for their families and avoid costly emergency or inpatient care. Protecting consistent access to prescribed therapies supports both patient health and long-term cost containment. Marylanders living with arthritis, cancer and other chronic diseases should feel the benefit of the state's efforts to address prescription drug costs in real and tangible ways, especially at the pharmacy counter.

SB 837 protects patients and I strongly urge passage of this critical legislation. Thank you for your consideration.

Sincerely,

Melissa Horn

Resident, Patient and Advocate for the Arthritis Foundation
Oxon Hill, Maryland
Melissa.Horn@ymail.com

IAF Comments in Support of MD SB 837.pdf
Uploaded by: Sam Miller
Position: FAV

Infusion Access Foundation

Maryland Senate
Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St., Annapolis, MD 21401

March 4, 2026

Re: Support for SB 837

Dear Committee Members,

On behalf of the Infusion Access Foundation, we write to express our strong support for Senate Bill 837 and its critical role in protecting patient access to medically necessary treatments in Maryland. We appreciate the Committee's ongoing commitment to advancing policies that improve healthcare affordability and access for Marylanders, and we respectfully urge you to support SB 837.

The Infusion Access Foundation is a nonprofit advocacy organization dedicated to protecting access to infusions and injections. We support patients across all disease states and advocate for expanding access to the therapies that help patients live their best, healthiest lives. In conjunction with our grassroots advocacy work, we advocate for individual patients who face significant barriers to care.

Maryland patients deserve timely access to the medications their healthcare providers prescribe. Yet too often, insurance-imposed barriers such as prior authorization, step therapy ("fail-first" requirements), and mid-year formulary changes delay or disrupt care. These non-clinical, cost-containment strategies can result in treatment delays, disease progression, increased out-of-pocket costs, and interruptions to stable treatment plans, particularly for patients managing complex or chronic conditions who rely on consistent access to infusion and specialty therapies.

SB 837 puts patients first by ensuring that once a prescription drug has been reviewed by the Maryland Prescription Drug Affordability Board (PDAB) and is (1) not found to present an affordability challenge, (2) the subject of a PDAB policy recommendation, or (3) has an upper payment limit (UPL) established by the PDAB, health plans may not impose additional utilization management barriers. Specifically, insurers may not require

prior authorization, mandate step therapy protocols, or shift medications to higher cost-sharing tiers or remove them from formularies in ways that restrict access.

These protections are a necessary complement to the work of the PDAB. If a drug has already undergone affordability review or is subject to an upper payment limit, allowing insurers to layer on additional barriers undermines the intent of the Board's oversight and places unnecessary burdens on patients and providers. SB 837 helps ensure continuity of care, reduces avoidable delays, and respects the clinical judgment of healthcare providers and the individualized needs of patients.

For patients who depend on infusion therapies and other complex treatments, even short disruptions in access can have serious health consequences. SB 837 provides important safeguards to prevent non-clinical coverage restrictions from interfering with medically appropriate care.

We respectfully urge the Senate Finance Committee to support SB 837 and stand with Maryland patients and families by removing harmful insurance barriers to prescribed medications.

Thank you for your time and consideration. If you have any questions or would like to discuss the impact of SB 837 on patients requiring infusion and specialty therapies, we would welcome the opportunity to speak further.

Sincerely,

Alicia Barron, LGSW
Executive Director
Infusion Access Foundation

SB837_Testimony_Cross Cashenna A.pdf
Uploaded by: Dr Cashenna A Cross
Position: FWA

TESTIMONY OF THE HONORABLE DR CASHENNA A CROSS

COUNCILWOMAN AT LARGE

CITY OF GLENARDEN MARYLAND

IN SUPPORT WITH AMENDMENTS

SENATE BILL 837

Chair and Members of the Committee,

I appear before you as an elected municipal leader representing residents who depend on affordable and predictable access to health care. In local government, we see firsthand how health related costs affect household stability, senior residents on fixed incomes, and working families who already face rising insurance premiums.

Senate Bill 837 addresses a growing concern related to utilization management barriers placed on prescription drugs that have already been reviewed by the Prescription Drug Affordability Board. When the State has undertaken a formal review process and established determinations or policy recommendations, additional administrative barriers can create delay, instability, and unnecessary cost to patients.

Continuity of care matters. For residents managing chronic conditions, disruption caused by repeated prior authorizations or step therapy protocols can result in lapses in treatment, emergency care utilization, and avoidable deterioration of health outcomes. From a municipal standpoint, these outcomes translate into increased strain on community services and public resources.

The policy direction of SB 837 is sound. However, as an elected official entrusted with fiscal oversight and accountability, I believe implementation must be accompanied by measurable transparency.

For that reason, I respectfully support this legislation with amendments that require annual compliance reporting, fiscal impact analysis on premiums affecting municipalities and small employers, and clear enforcement authority for violations. These measures ensure that the intended patient protections are realized without unintended premium escalation or regulatory ambiguity.

Local governments operate within fixed budgets. Health insurance costs for employees and retirees represent a significant expenditure line. It is essential that reforms designed to improve

access are paired with oversight mechanisms that protect affordability across the system.

With these amendments, Senate Bill 837 will promote continuity of care, reduce administrative burden on providers, and strengthen accountability within the insurance market.

For these reasons, I respectfully urge a favorable report with amendments.

Respectfully submitted,

The Honorable Dr Cashenna A Cross

Councilwoman At Large

City of Glenarden Maryland

SB 837_PDAB and UM_Oppose.pdf
Uploaded by: Allison Taylor
Position: UNF

KAISER PERMANENTE®

Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
4000 Garden City Drive
Hyattsville, MD 20785

March 4, 2026

The Honorable Pamela Beidle
Senate Finance Committee
3 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

RE: Opposition to Senate Bill 837 – Maryland Medical Assistance Program and Health Insurance – Coverage and Utilization Review – Drugs Reviewed by the Prescription Drug Affordability Board

Dear Chair Beidle and Members of the Committee:

On behalf of Kaiser Permanente, I am writing to express our opposition to Senate Bill 837. Kaiser Permanente remains dedicated to ensuring that our members have access to the right medications at the right time. However, we are deeply concerned by the central premise of SB 837: that a financial review by the Prescription Drug Affordability Board (PDAB) should dictate or eliminate the clinical utilization management (UM) protocols used by health plans.

The primary flaw in SB 837 is the assumption of a nexus between a drug's "affordability"—as determined by the PDAB—and its clinical necessity for a specific patient. The PDAB's mandate is economic; it evaluates wholesale acquisition costs, price spikes, and state budget impacts. Conversely, utilization management tools like prior authorization and step therapy are clinical safeguards designed to ensure patient safety and evidence-based care.

Even if the PDAB determines a drug is "unaffordable" or sets an upper payment limit, that drug may not be the most clinically appropriate or safest first-line therapy for every patient. By prohibiting UM practices based solely on a PDAB status, SB 837 strips health plans of the ability to guide patients toward the most effective, evidence-based treatments first.

Utilization management is not merely a cost-control mechanism; it is a quality-of-care mechanism. Prior Authorization ensures that a high-risk medication is being prescribed for an FDA-approved use and that the patient has no contraindications. Step Therapy (fail-first protocols) ensures that patients receive well-established, standard-of-care treatments before moving to newer, often more intensive therapies that may have more significant side-effect profiles.

Linking the removal of these protections to a PDAB economic review creates a dangerous precedent where financial metrics override clinical guidelines. This could lead to inappropriate prescribing and increased risk of adverse drug events, regardless of the drug's price tag.

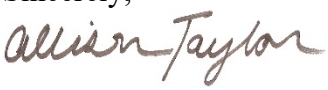
As an integrated delivery system, Kaiser Permanente relies on a coordinated formulary and evidence-based protocols to provide seamless care. SB 837 would disrupt this integration by

mandating the inclusion and unrestricted access to drugs based on external economic triggers rather than internal clinical consensus and peer-reviewed data.

For these reasons, we respectfully request an unfavorable report on SB 837.

Thank you for the opportunity to comment. Please feel free to contact me at Allison.W.Taylor@kp.org or (919) 818-3285 with questions.

Sincerely,



Allison Taylor
Head of Government Relations
Kaiser Permanente Mid-Atlantic Region

PDAB- LOO- SB837.docx.pdf
Uploaded by: Christina Shaklee
Position: UNF

MARYLAND
Prescription Drug Affordability Board

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March 4, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401-1991

RE: Senate Bill 837 – Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board

Dear Chair Beidle and Committee Members:

The Maryland Prescription Drug Affordability Board (PDAB) respectfully submits this letter of opposition for Senate Bill (SB) 837 – Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board. SB 837 imposes certain restrictions on MCOs, insurers, HMOs and others based solely on whether the PDAB undertakes a cost review study of a drug regardless of the outcome of the study.

Safeguards to patients are important. But sound policy action must be informed by sufficient facts.

The Board's discretionary decision to conduct a Cost Review Study of a drug does not, in and of itself, have any connection to or provide a basis for imposing limitations on utilization management. In conducting the study, the Board seeks to understand whether use of a prescription drug has created an affordability challenge, and then whether policy action, such as setting an upper payment limit, is warranted. The study informs the policy action.

This bill imposes limitations on utilization management and other restrictions based solely on the selection of a drug for study and the action of undertaking that study—regardless of the outcome of the study and any affordability challenge determination. That approach undermines the Board's processes, devalues the study and may pose significant unintended collateral consequences.

We ask that you oppose Senate Bill 837. If you would like to discuss this further, please do not hesitate to contact Christina Shaklee, Health Policy Analyst Advanced at christina.shaklee1@maryland.gov.

Sincerely,

Andrew York, Pharm.D., J.D.
Executive Director
Maryland Prescription Drug Affordability Board

MMCOA Comments on Senate Bill 837 - PDAB and Prior

Uploaded by: Joseph Winn

Position: UNF

MMCOA

MARYLAND MCO ASSOCIATION

Senate Bill 837 -
Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board

UNFAVORABLE
Senate Finance Committee
March 4, 2026

Thank you for the opportunity to submit this testimony for Senate Bill 837 – Maryland Medical Assistance Program and Health Insurance – Coverage and Utilization Review – Drugs Reviewed by the Prescription Drug Affordability Board. The Maryland Managed Care Organization Association (MMCOA) represents all nine Managed Care Organizations (MCOs) that serve Medicaid recipients under Maryland's HealthChoice program. Together, the MCOs finance and arrange care for nearly 1.3 million Marylanders.

Senate Bill 837 would significantly limit the use of utilization management tools for prescription drugs based solely on a drug having been reviewed by the Maryland Prescription Drug Affordability Board (PDAB). As drafted, the bill restricts these tools even when the PDAB just simply reviews drugs, but has made no affordability determination, without regard to clinical variation, appropriate use, or emerging utilization patterns. Prior authorization is a key tool MCOs use to ensure evidence-based prescribing, prevent inappropriate or unsafe use, and manage rapidly escalating pharmacy costs in the Medicaid program.

Maryland was the first state to establish a PDAB in response to growing concerns that prescription drugs are increasingly unaffordable. However, removing utilization management tools from a subset of branded drugs simply because a drug has been reviewed by the PDAB will not address persistent prescription drug affordability challenges. Over time, the State could be left with a growing number of high-cost branded drugs that are not subject to utilization management, which would be financially unsustainable for the Medicaid program.

For these reasons, MMCOA respectfully requests an unfavorable report on Senate Bill 837.

Please contact Joe Winn, Executive Director of MMCOA, with any questions regarding this testimony at jwinn@marylandmco.org.

AHIP Comments - MD SB 837 PDAB_Utilization Managem

Uploaded by: Keith Lake

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March 2, 2026

Senator Pamela Beidle
Chair, Maryland Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

RE: SB 837 – Drugs Reviewed by the Prescription Drug Affordability Board

Dear Chair Beidle:

On behalf of AHIP, I appreciate the opportunity to comment on SB 837, legislation concerning utilization management and coverage of prescription drugs that have been reviewed by the Maryland Prescription Drug Affordability Board (PDAB).

AHIP shares policymakers' commitment to ensuring patients have access to clinically appropriate prescription drugs while addressing the underlying drivers of high drug costs. However, as introduced, SB 837 would broadly restrict established utilization management and formulary practices for PDAB-reviewed drugs, potentially increasing costs to consumers and limiting the ability of health plans and Medicaid managed care organizations to support safe, evidence-based, affordable care. The bill does not address the underlying price of prescription drugs and may instead shift costs to consumers through increased premiums and higher out-of-pocket spending. For these reasons, AHIP respectfully opposes SB 837.

Specifically, the bill would prohibit Medicaid managed care organizations and state regulated health insurers, nonprofit health service plans, and HMOs from using prior authorization or step therapy/fail first protocols, or from limiting, restricting, or excluding coverage—including through cost-sharing or formulary tiering—for prescription drugs reviewed by the PDAB under certain conditions. Because these restrictions apply even when the PDAB has not determined that a drug presents an affordability challenge, has merely issued a policy recommendation, or has established an upper payment limit, they could take effect broadly once a drug enters PDAB review. As drafted, the bill ties these limitations to PDAB review status and related actions, rather than to clinical appropriateness or a clear finding that a drug poses an affordability concern.

Key Concerns:

Broad prohibitions based on PDAB review status are arbitrary. The PDAB is designed to address high prescription drug costs, yet SB 837 would impose sweeping restrictions on utilization management and formulary tools solely based on a drug's PDAB review status – even when the PDAB has not found an affordability concern. Reliance on PDAB review alone, irrespective of the Board's conclusion, is not a sound basis for prohibiting prior authorization, step therapy or fail-first protocols, or for limiting formulary tools. Prior authorization is an important tool used by both public and private payers to ensure patient care follows evidence-based clinical guidelines. It helps reduce patients' exposure to low-value, unsafe, or inappropriate treatments and services, thereby leading to better health outcomes and more affordable care for patients.

Broad prohibitions on utilization management may undermine safe and evidence-based care. Prior authorization and step therapy are used to help ensure medications are used consistently with evidence-based guidelines and each patient's specific clinical circumstances. These tools also help prevent inappropriate or low-value utilization and promote safe prescribing. Tying categorical prohibitions to PDAB review status—rather than clinical appropriateness—restricts the ability to apply targeted safeguards where they are most needed.

Restrictions on core formulary and benefit design tools. Specifically, the bill would limit the ability to adjust cost sharing, tier placement, or formulary status for PDAB-reviewed drugs, subject to limited exceptions. These tools are essential to managing affordability for consumers and purchasers and to encouraging the use of clinically appropriate, high-value therapies.

Additionally, if the PDAB establishes an upper payment limit, plans may seek to benefit consumers by aligning benefit design and formulary administration with the new pricing environment; SB 837 would limit the ability to make cost-sharing, tiering, or formulary adjustments for PDAB-reviewed drugs, creating misalignment between PDAB price actions and related benefit design changes to bring the benefits of such actions to consumers.

Recommendation: AHIP respectfully urges the Committee not to pass SB 837.

AHIP appreciates your consideration and welcomes the opportunity to work with the Committee and stakeholders on solutions that improve patient access while protecting affordability for Maryland families, employers, and taxpayers.

Thank you.

Sincerely,

Keith Lake
Regional Director, State Affairs
klake@ahip.org / 220-212-8008

AHIP is the national association whose members provide insurance coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities, and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers.

SB 837- FIN - MDH -LOO.docx (1).pdf
Uploaded by: Meghan Lynch
Position: UNF

Maryland
DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

March 4, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401-1991

RE: Senate Bill 837– Maryland Medical Assistance Program and Health Insurance – Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board – Letter of Opposition

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (the Department) respectfully submits this letter of opposition for SB 837 - Maryland Medical Assistance Program and Health Insurance - Coverage and Utilization Review - Drugs Reviewed by the Prescription Drug Affordability Board (PDAB).

SB 837 would eliminate Medicaid managed care organizations (MCOs) ability to manage and control expenditures when a drug is under review by PDAB or PDAB has made a policy recommendation relating to the drug to the General Assembly, or set an upper payment limit for the drug. Specifically, MCOs will be prohibited from (a) requiring a prior authorization, step therapy, or fail-first protocol for these drugs, (b) limiting, restricting, or excluding coverage of prescription drugs that have been reviewed by PDAB, *even when* PDAB has *not* made a determination that the drug has or will lead to an affordability challenge, and (c) limiting or reducing the maximum coverage, increasing the cost sharing, moving the medication to a more restrictive tier if the MCO uses a tiered formulary, and removing a drug from a formulary unless the manufacturer discontinues it or the FDA calls into question the clinical safety of the drug.

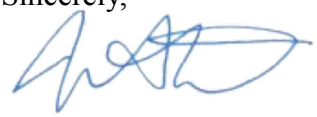
Restricting the ability of MCOs to use utilization management tools to manage costs for drugs reviewed by the PDAB is expected to have a fiscal impact of tens of millions of dollars due to increased utilization. Drugs referred to PDAB are likely to be higher cost medications. As PDAB reviews additional drugs year over year, the fiscal impact of this legislation has the potential to grow exponentially.

In CY 2024, MCOs spent more than $215 million dollars on the six drugs referred to PDAB for review to date: Dupixent, Farxiga, Jardiance, Ozempic, Skyrizi, and Trulicity. The average cost per script for Jardiance is $591 (total cost: $27.4 million across all MCOs), and the average cost per script for Trulicity is $959 ($39.8 million across all MCOs). Skyrizi is by far the most expensive per script ($19,623). Notably, some of these drugs also have off-label uses, making appropriate utilization management critical for controlling costs. For example, Trulicity and

Ozempic, can be used off-label for weight loss, and Skyrizi is used off-label to treat inflammatory skin conditions.

If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Government Affairs at meghan.lynch@maryland.gov.

Sincerely,



Meena Seshamani, M.D., Ph.D.
Secretary of Health

VDM UNFAVORABLE ON SB 837.pdf
Uploaded by: Vincent DeMarco
Position: UNF

TESTIMONY BY VINCENT DEMARCO
BEFORE THE SENATE FINANCE COMMITTEE
IN OPPOSITION TO SB 837
March 2, 2026

Madam Chair, Vice-Chair Hayes, and Members of the Senate Finance Committee, thank you for the opportunity to testify today, respectfully **in opposition of Senate Bill 837.** I am here on behalf of the Maryland Health Care for All Coalition and our broad Prescription Drug Affordability Coalition, as we feel this legislation would pose significant unintended risk to the effectiveness of our state's Prescription Drug Affordability Board (PDAB).

We thank this Committee for your leadership in creating the PDAB and giving it the authority to make high cost drugs more affordable first for state and local governments and soon for all Marylanders. We are hopeful that soon the PDAB will be using this authority to save Marylanders tens of millions of dollars per year in the cost of expensive drugs, just as Colorado has already done in the case of Enbrel. We are very concerned that SB 837 would undermine the PDAB's ability to accomplish this critically important work and there is no compelling policy reason to link utilization management mechanisms to the work of the PDAB and no upside to the additional complexity being proposed. Therefore, we support the PDAB in opposing the legislation.

Although SB 837 has the laudable purpose of protecting consumers from undue delays in obtaining needed drugs, it unnecessarily does this in a way which could greatly complicate the work of the PDAB. The PDAB, whose sole purpose is to make high cost drugs more affordable, would be forced to consider complex utilization management issues at every step of its process. This we believe would cause substantial additional delays in what has already been necessarily a long process. This would also interfere with the cost review process in ways that could result in unintended consequences and act as preemptive interference in the cost reviews performed. In addition, it is very important to note that the PDAB's cost review process does not relate to the factors important in utilization reviews. Therefore, the connections proposed in this legislation would unnecessarily and substantially delay when people could get access to the lower cost drugs they urgently need.

We appreciate this committee's dedicated work toward ensuring all Marylanders have access to affordable medications and acknowledge the sponsors' intent to provide further patient protections; however, we do not feel that this legislation will best serve this purpose and may in fact impede the important work of our PDAB. **We therefore urge an Unfavorable Report on SB 837**.

SB 837 Coverage and Utilization Review – PDAB INFO

Uploaded by: Sara Westrick

Position: INFO

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**SB 837 Maryland Medical Assistance Program and Health Insurance –
Coverage and Utilization Review –
Drugs Reviewed by the Prescription Drug Affordability Board
Senate Finance Committee
March 4, 2026
INFORMATION**

Chair Beidle, Vice Chair Hayes, and members of the Senate Finance Committee, thank you for the opportunity to submit this informational testimony regarding SB 837.

I am Sara Westrick, Advocacy Director for AARP Maryland, representing our 850,000 members in the state. I want to commend the members and staff of the Prescription Drug Affordability Board (PDAB) for their outstanding work to date. The PDAB is fully supported by AARP Maryland, and it remains a model for other states adopting similar approaches to prescription drug affordability.

This is why AARP Maryland is concerned that SB 837 will disrupt the PDAB's critical work. The bill pulls the PDAB into insurance operations it was never designed to oversee. The PDAB's statutory role is drug-cost review and affordability recommendations. Tying PDAB actions to insurance benefit design risks blurs the Board's mission and diverts attention and resources from affordability work.

The bill could potentially create operational and political pressure on the PDAB at a vulnerable moment. The PDAB is in the middle of implementing some of its most complex statutory responsibilities, including upper payment limits (UPLs) and drug affordability assessments. Adding new downstream consequences to every PDAB decision creates new pressure points that could politicize or slow the Board's work.

The bill risks slowing down the PDAB's affordability reviews. If every PDAB review automatically affects insurers' ability to manage utilization, the Board may face pressure to move more cautiously or delay decisions until the impacts are fully understood. This undermines the PDAB's ability to act independently.

This also bill changes the meaning of a PDAB review in ways that could distort the Board's priorities. PDAB reviews were meant to assess affordability challenges, not to determine whether a drug should be exempt from utilization management.

We would ask the committee to consider the following questions in its deliberations:

- What is the policy rationale for tying utilization management rules (prior authorization, step therapy, formulary placement) to PDAB review outcomes?

- Why is the PDAB, whose statutory purpose is affordability, being linked to restrictions on clinical utilization management tools?
- Does this bill expand the PDAB's authority beyond cost review into areas affecting medical management, and if so, is that consistent with legislative intent when the Board was created?
- Could the aims of this bill be accomplished without invoking the PDAB?

Thank you for considering these questions and concerns during your deliberation, and thank you for your service to our state.

If you have any questions, please contact Sara Westrick, AARP Maryland Advocacy Director, at swestrick@aarp.org or by phone at 410 310-0374.