

MedChi

The Maryland State Medical Society

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TO: The Honorable Thomas Mac Middleton, Chairman
Members, Senate Finance Committee
The Honorable Catherine Pugh

FROM: Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise

DATE: February 1, 2012

RE: **SUPPORT** – Senate Bill 179 – *Kathleen A. Mathias Chemotherapy Parity Act of 2012*

The Maryland State Medical Society (MedChi), which represents over 7,600 Maryland physicians and their patients, supports Senate Bill 179.

Senate 179 stops insurance companies which provide coverage for a patient's chemotherapy from requiring the patient to pay extraordinarily high co-pays for one form of chemotherapy (pills) and to pay a significantly reduced amount for another form of chemotherapy (intravenous). This problem occurs because there has been a rapid growth in the use of effective oral therapies in the treatment of cancer. Oral therapies now account for perhaps 10% of cancer treatments while it is estimated that, in the next five years, they will account for 25-30% of such treatments. Such oral therapies are selected by cancer doctors because they are the proper therapies to be employed. In some instances, such oral medications would not be appropriate but in many instances they are.

Historically, MedChi does not take a position on legislation such as this which has been called a "mandated benefit." In reality, this legislation does not create a mandate since it only applies to instances where the coverage is already provided by the insurance carrier. More importantly, the usual argument against mandated benefits is that they drive up the cost of health insurance. Such is not the case here as similar legislation has passed in a number of states with no documented increase in insurance premiums. Indeed, CareFirst, in providing information to the fiscal note writer for this bill, reviewed its District of Columbia experience and could not document any increase as a result of that jurisdiction's parity legislation.

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MedChi supports this bill because it allows for health insurance coverage to “catch up” with proper medical therapy. It does not create health insurance coverage but simply directs it to be consistent with good medicine.

Finally, MedChi believes the passage of this legislation is an important statement to be made particularly as the Maryland Health Care Reform Coordinating Council begins its creation of the “State Benchmark Plan” (to be decided by September 2012) as required by the Federal Affordable Care Act. A statement by the General Assembly in 2012 (by the passage of this bill) will be the message that will be heard by those deciding on the elements of the State Benchmark Plan.

MedChi would urge a favorable report on Senate Bill 179.

For more information call:

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