

MedChi

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TO: The Honorable Peter A. Hammen, Chair
Members, House Health & Government Operations Committee
The Honorable Shirley Natan-Pulliam

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

DATE: February 20, 2014

RE: **SUPPORT** – House Bill 625 – *Kathleen A. Mathias Oral Chemotherapy Improvement Act of 2014*

The Maryland State Medical Society (MedChi), which represents more than 8,000 Maryland physicians and their patients, supports House Bill 625.

House Bill 625 corrects an enormous exception which was added to the Maryland law providing that oral chemotherapy medicines could be available to patients on the same basis with respect to co-pays and dollar limits as those medicines when administered intravenously or by injection. The “loophole” was that the law did not apply to an entity that provided “essential health benefits” under the Federal Affordable Care Act (ACA). This effectively means that almost every insurer operating in Maryland was not subject to the chemotherapy equalization statute. House Bill 625 removes this exception and, accordingly, applies the law to all health insurers and HMOs.

The substance of the cancer chemotherapy equivalency law is that a patient would not be penalized with respect to dollar limits, co-payments, deductibles or co-insurance in choosing between oral chemotherapy agents and those administered intravenously or by injection. This provision of the current law appears on page 2, lines 18 through 13 of the current law.

House Bill 625 adds a new section at page 2, lines 18 to 21 which allows an insurer to impose “appropriate utilization controls...” and allows “...using tiered formulary designs.” MedChi believes that there may be a tension between this new section E of the law and the

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current nondiscrimination provisions of the law which appear on page 2, lines 8 through 13.
It may be that some explanatory language would be helpful to resolve this tension.

MedChi asks for a favorable report on House Bill 625.

For more information call:

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