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TO: The Honorable Thomas M. Middleton, Chair
Members, Senate Finance Committee
The Honorable Catherine E. Pugh

FROM: Danna L. Kauffman
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DATE: March 4, 2015

RE: **SUPPORT WITH AMENDMENT** – Senate Bill 606 – *Health Insurance - Abuse-Deterrent Opioid Analgesic Drug Products - Coverage*

The Maryland State Medical Society (MedChi), which represents over 8,000 Maryland physicians and their patients, supports Senate Bill 606. Senate Bill 606 requires insurers to cover abuse-deterrent opioid analgesics at the same cost-sharing as non-abuse deterrent formulations.

The misuse and abuse of prescription pain drugs is a growing public health crisis. The Centers for Disease Control and Prevention has referred to it as an epidemic with 16,600 drug overdose deaths in 2010 from opioid pain relievers. A comprehensive strategy is needed to combat the misuse and abuse of prescription pain drugs, while ensuring that patients who medically benefit from them continue to have access.

One approach that has been made a priority by the Federal Food and Drug Administration (FDA), is the development of abuse-deterrent formulations of opioids. These formulations are designed to deter product manipulation or to make abuse of the manipulated product less attractive or rewarding by impeding the intense high that abusers and addicts seek. The new formulations are labeled "abuse deterrent" because they cannot be crushed or grinded in order to be snorted or smoked, nor can they be dissolved for injection – common known or expected routes of abuse.

Sharon Hertz, M.D., FDA, Deputy Director of the Division of Anesthesia, Analgesia and Addiction Products explained the benefits of these formulations by stating:

> *"The FDA is committed to combating the misuse and abuse of all opioids, and the development of opioids that are harder to abuse is needed in order to help address the public health crisis of prescription drug abuse in the U.S. Encouraging the development of opioids with abuse-deterrent properties is just one component of a broader approach to reducing abuse and misuse, and will better enable the FDA to balance addressing this problem with meeting the needs of the millions of people in this country suffering from pain."*

Likewise, when questioned during the U.S. Energy and Commerce hearing on "Examining the Growing Problems of Prescription Drug and Heroin Abuse" (April 29, 2014), Josepth T. Rannazzisi, Deputy Assistant Administrator, U.S. Drug Enforcement Administration's Office of Diversion stated

> "*The abuse deterrent formulations will make a difference . . . in the end it's going to stop them from crushing and snorting or crushing and injecting … if we could figure a way to get an abuse deterrent formulation across the board, then we're going to see some significant results*."

The development of these new formulations is only the initial step. The State must ensure that insurance policies do not obstruct the potential health benefits these products present to individuals and society as a whole. Senate Bill 606 will provide greater access to these new formulations by requiring insurance companies to include them in their formularies at a cost that is comparable to other non abuse deterrent opioids. While MedChi supports the right for an insurer to undertake utilization review for these products, we do believe that insurers should not be able to increase or tighten those reviews as a result of this legislation, similar to not increasing copayments and other cost-sharing options. Therefore, MedChi requests that the bill be amended to add utilization review procedures to the list of items that may not be increased to achieve compliance with this section, which is similar to other drugs such as cancer chemotherapy drugs.

MedChi respectfully requests a favorable report on Senate Bill 606.

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