



Testimony in opposition to LD 1793, An Act to Ensure Access to and Coverage of Low Cost Insulin

Kimberly Cook on behalf of Community Health Options

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Senator Bailey, Representative Perry, and distinguished members of the Health Coverage, Insurance and Financial Services Committee, my name is Kim Cook and I am an attorney and founder of Government Strategies. I represent Community Health Options, Maine's nonprofit CO-OP health insurance company. Community Health Options exists for the benefit of its Members and our mission which is to provide affordable, high-quality benefits that promote health and wellbeing of our Members regardless of their health condition.

The Legislature recently enacted the Insulin Safety Net Program which requires state-regulated insurance carriers to cover a 30-day supply of insulin with no more than a \$35 copay. This bill proposes to go further, by requiring carriers to offer certain insulin products with no cost sharing. Our obligation as a nonprofit CO-OP health plan, is to ensure that all of our members have affordable access to quality health care to live healthy and fulfilling lives. Because of this, we have concerns about the approach this legislation takes in eliminating cost sharing for those with one chronic condition (diabetes), while shifting the costs to all our other members, including those with other very common chronic conditions. The true cost of this bill will instead be borne by enrollees either through increases in their monthly premium or in increased out-of-pocket expenses for other necessary health care services.

In addition, this bill would have the unintended consequence of requiring frequent formulary changes as the product with the lowest wholesale acquisition cost changes. Quarterly changes to the insulin drug with the lowest wholesale acquisition cost could confuse and irritate enrollees as they are required to change prescriptions in order to maintain no copay. In this regard, LD 1793 lacks the consistency and stability of the existing Insulin Safety Net Program.

We encourage the Committee to look at more comprehensive solutions to reducing barriers to affordable health care for a range of common chronic conditions. Community Health Options offers an innovative Chronic Illness Support Program (CISP) to our Members as a key feature of our plan designs.¹ We developed the CISP to improve the health and well-being of our Members with common chronic conditions including asthma, coronary artery disease, chronic obstructive pulmonary disease, diabetes and/or hypertension. For example, our CISP helps Members with diabetes by reducing the cost of diabetic supplies including glucose test strips and a glucometer. This program has successfully helped our Members removed financial barriers to managing their chronic conditions by reducing their

¹ Except those with Health Savings Accounts due to federal regulations.



out of pocket costs and providing additional care management to help Members follow their plan of care. This more comprehensive solution both improves health outcomes for our Members and reduces the total cost of care. It is a win-win solution, rather than simply a cost shift within the health care system.

We also want the Committee to be aware of cost sharing reduction (CSR) benefits available to those in the individual market with incomes between 100% and 250% of the Federal Poverty Limit.² In 2024, a single person can earn up to \$37,650/year and a family of four can earn up to \$78,000/year and be eligible for CSR.³ Cost sharing reductions are designed to ensure that out-of-pocket costs do not stand in the way of access to necessary health care. CSR lowers enrollees' out-of-pocket costs including deductibles, copayments, and coinsurance. We expect that individual plan enrollees who would struggle to purchase a 30-day supply of insulin for \$35 are likely already eligible for cost share reductions in addition to the premium assistance they receive through the Marketplace. For example, a Silver level plan with an annual \$100 deductible and an annual \$750 out of pocket maximum are available for those toward the lower end of that income scale for less than \$2 per month.

We appreciate the intent of this bill to assist those with private health insurance with the costs of insulin needed to manage their diabetes, but we are concerned that the structure of the bill may end up adding backend complexities to our benefits structure and processes. Our CISP already creates cost savings for our Members with a range of chronic conditions including diabetes. We encourage the Committee to instead take an approach that is equitable to all enrollees.

² <https://www.healthcare.gov/lower-costs/save-on-out-of-pocket-costs/>

³ <https://aspe.hhs.gov/sites/default/files/documents/7240229f28375f54435c5b83a3764cd1/detailed-guidelines-2024.pdf>