



Maryland  
Hospital Association

## **Senate Bill 405 – Health Insurance – Prescription Drugs – Formulary Changes**

**Position: *Support***

### **Bill Summary**

Prohibiting certain insurers, nonprofit health service plans, and health maintenance organizations from making certain formulary changes during a plan year and the open enrollment period that precedes the plan year, except under certain circumstances; defining "utilization management restriction"; and applying the Act to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2020.

### **MHA Position**

Under Maryland's unique Total Cost of Care agreement with the federal government, Maryland's hospitals are working to lower costs and improve population health. In addition to treating illness and injury, hospitals are reaching out beyond their four walls to keep people well and improve the health of the communities they serve. The result: hospitals are taking care of the whole person, empowering patients and families, coordinating care among different providers, and addressing social factors that influence people's health.

That includes the ability to comply with medical guidance, such as the use of prescription drugs. Senate Bill 405 would help avoid unnecessary plan changes that could cause Marylanders to skip doses or change medications — disrupting their treatment plans and harming their overall health.

Proper medication adherence is essential to help address chronic conditions — particularly among the growing number of people in Maryland suffering from mental health conditions. Data show that not taking these medications can result in adverse health outcomes for patients and higher costs of care overall.<sup>1</sup>

However, patients with complex behavioral health needs, who maintain the correct medication regimen were shown to more effectively manage their mental health symptoms and improve their wellbeing.<sup>2</sup>

Maryland's hospitals are committed to meeting the needs of the communities they serve. That includes treating injuries and illnesses, as well as working to keep people well, so they can reach their highest potential for health.

For all of these reasons, we respectfully urge a *favorable* report for S.B. 405.

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<sup>1</sup> American Heart Association Journal, Medication Adherence, June 16, 2009  
<https://www.ahajournals.org/doi/full/10.1161/CIRCULATIONAHA.108.768986>

<sup>2</sup> FRN Research Report, "Encouraging Medication Compliance to Alleviate Mental Health Symptoms," November 2015