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**Senate Finance Subcommittee on Health and Medicaid
Senate Bill 232 Sponsor Testimony
Cap Cost-Sharing for Prescription Insulin Drugs
February 25, 2020**

Chair Huffman, Vice Chair Hackett, Ranking Member Thomas and members of the Senate Finance Subcommittee on Health and Medicaid, thank you for the opportunity to provide sponsor testimony on Senate Bill 232. This legislation would cap cost a patient would for a single prescription of insulin at \$100 for a 30-day supply, regardless of how much insulin the patient needs in those 30 days. This means that if a person has two insulin prescriptions, they would pay no more than \$200 per month.

This legislation is modeled, in part, after a similar law passed in Colorado last year. Illinois also passed a variation of this law last year and several other states have introduced similar legislation.

To understand the extent of this issue, you must first understand all that is necessary to manage diabetes. The type of insulin needed, its dosage and schedule are based on several factors that can vary person-by-person and day-by-day, including an individual's activity level, weight and carbohydrate consumption as well as how quickly their body metabolizes insulin.

This sample insulin regimen, provided by the American Diabetes Association, underscores the potential impact of Senate Bill 232:

- One to two doses of basal (long-acting) insulin per day: 30 units on average
- Mealtime (rapid-acting) insulin at meals: 30 units on average per mealtime.

On this regimen, a person would go through a pen of basal insulin and a pen of mealtime insulin in one to two weeks. Currently, the average price of an insulin vial is around \$250. This person would need 2,100 3mL doses of both types of insulin annually. In 2012, this regimen cost the average diabetic \$3,200. Due to the unexplained, skyrocketing hike in insulin prices, the exact same amount of medicine cost \$5,900 in 2016.

Overall, the most common insulin brands cost about 10 times more in the United States than in other developed countries. This exorbitant financial burden has even led some Ohioans to join insulin caravans to Canada, where a vial costs about \$30. Our citizens risk drug smuggling charges to obtain this life-saving medication.

Opponents of this bill will argue that it threatens to increase health insurance rates for employers and insurance companies. A study by Milliman¹ showed that this proposed cap will increase the cost of insurance coverage by 70 to 95 cents per member per year. By spending less than a dollar per year, we can save lives.

In Ohio, there are over 1.3 million adults living with diabetes. The goal of this bill, and the other legislation we have introduced focused on diabetes, is to ensure that Ohioans have access to the medications they need to live healthy and productive lives. Although diabetes poses very serious health risks, it can be managed with the proper medical treatment. A reported 25% of all insulin users ration their insulin to cut costs. That leaves hundreds of thousands of Ohioans at risk of serious complications, such as diabetic ketoacidosis, coma, and even death.

When insulin is unaffordable, there are expensive, life-long consequences. In the absence of our federal government holding drug manufacturers and others in the insulin supply chain accountable for the exorbitant cost of insulin, we must work to make this necessary medication more affordable for our constituents.

Thank you, Chairman Huffman and members of the committee, for the opportunity to testify on Senate Bill 232. We welcome any questions at this time.

¹ - <https://milliman-cdn.azureedge.net/-/media/milliman/importedfiles/ektron/mitigating-costs-insulin-users.ashx>