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Senate Insurance Committee
Senate Bill 61 Sponsor Testimony
Cap Cost Sharing for Prescription Insulin Drugs
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Manning: Chair Huffman, Vice Chair Johnson, Ranking Member Antonio, and members of the Senate Health Committee, thank you for the opportunity to provide sponsor testimony on Senate Bill 61. This legislation is a reintroduction of Senate Bill 220 from the last General Assembly, and would prohibit insurers from charging more than \$35 for a 30-day supply of insulin, regardless of how much insulin the patient needs in those 30 days.

This legislation is modeled, in part, after similar laws passed in twenty-two states and Washington, D.C. (nearly half have limits of \$35 or less) alongside those insured under Medicare Part D plans whose one-month supply, as of January 1, is capped at \$35 with no deductible.

I have worked on a couple pieces of legislation that has affected Ohioans' access to insulin. During the 131st General Assembly, I sponsored House Bill 188, also known as Kevin's Law with Chair Huffman. This bill was brought to my office by Lorain County residents who had lost their diabetic son due to inability to access emergency insulin. House Bill 188 improved ease of access to emergency insulin.

During the 133rd General Assembly, Chair Huffman and I sponsored Senate Bill 303, which expanded upon House Bill 188 by allowing advanced practice registered nurses to enter into consult agreements with physicians for the management of chronic health conditions. This bill was voted out of the Senate unanimously, and ultimately passed as an amendment to House Bill 203 last year.

It is important to make sure a life-saving medication such as insulin is available at an affordable price for Ohioans, and Senator Craig will explain some of the financial ramifications people face today.

Craig: During the 133rd GA, we passed Diabetic Ketoacidosis (DKA) Awareness Day, which raised awareness for complications that can arise if insulin is not properly administered. We have heard many heartbreaking stories from individuals all across Ohio who have shared with us their experiences. These include the story of a family who lost a relative who died because they

were rationing insulin when they couldn't afford the skyrocketing costs. Passing this legislation is one major step the Legislature can take to ensure that Ohioans have access to life-saving insulin.

To understand the extent of this issue, you must first understand all that is necessary to manage diabetes. The type of insulin needed and 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 61:

- 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 every 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 a person with diabetes an average of \$3,200 a year. Due to the unexplained, skyrocketing hike in insulin prices, the cost for the same amount of medicine increased to \$5,900 annually 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.

Colorado was the first state to pass a cap on insulin costs, and in doing so, established an investigation and a [Prescription Insulin Drug Pricing Report](#) within their Department of Law. Through their November 2020 study, they found that the U.S. pays the highest drug prices of any developed country at more than 200 percent higher than in some countries. The study also showed that the cost of insulin has increased at more than 200 percent over the last 11 years, with prices being impacted by additional fees, discounts, and rebates without full transparency. It also found that regulatory barriers, including abuses in the patent system and the power of dominant drug manufacturers, have prevented generic insulins from being made available.

In Ohio, there are [over a million adults](#) living with diabetes. The goal of this bill, and the other legislation that passed 133th General Assembly, 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. Numerous

research has shown, rationing insulin can cause serious complication, and many Ohioans are doing it every day. With affordable insulin, this could be preventable.

I welcome the recent announcement of Eli Lilly to cut prices, and cap cost of insulin at \$35 for customers with private insurance. This major change will certainly give breathing room to families who have faced years of increasing insulin prices. Even with this major step by Eli Lilly, we will still have hundreds of thousands of Ohioans who will not be able to afford insulin. A recent study found, Eli Lilly has 27% of the market share in the insulin market. In this market with only limited players, others may not have incentive to cut their prices as they enjoy large market shares which results in significant barriers to entry for other interested firms. This means that many Ohioans still not be able to afford lifesaving medicine. Given the gravity and urgency of this critical situation, it is vital to have an immediate legislative response regarding this serious matter.

When insulin remains unaffordable, there are expensive, lifelong 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 Ohioans. Thank you, Chair Huffman and members of the committee for the opportunity to testify on Senate Bill 61. We welcome any questions at this time.