From:	Lee, Judy E.
To:	-Grp-NDLA Senate Human Services; Lahr, Pat; Wolf, Sheldon
Subject:	FW: Follow-up information for SB 2140
Date:	Wednesday, January 18, 2023 9:15:06 PM
Attachments:	image001.png

Sheldon – Please put this in with the 2140 testimony.

Senator Judy Lee
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From: Carissa Kemp <ckemp@diabetes.org>
Sent: Wednesday, January 18, 2023 2:51 PM
To: Lee, Judy E. <jlee@ndlegis.gov>
Subject: Follow-up information for SB 2140

Senator Lee,

I would like to thank you for your continued conversation on Senate Bill 2140, this is an important bill that has the potential of impacting many people in North Dakota who currently struggle to afford their insulin. A recent study found that 1.3 million people in the U.S. reported rationing their insulin which can lead to hospitalizations, devastating complications, and even death. There were some questions and discussion on this bill during committee work and I would appreciate the opportunity to provide some clarity around it.

- *Who this will benefit*: This bill will help people with diabetes on state regulated health plans. We understand that this is not everyone in North Dakota and this is not a one size fits all legislation. The ADA has been advocating at the federal level for a bill that would limit out-of-pocket cost sharing for insulin that would impact people on ERISA plans but Congress has not taken action on it yet and we do not know when they will. While we wait for the federal government to take action you have the opportunity to help many people in North Dakota now.

  This will also help people with high deductible plans as there is a specific IRS/HSA exemption for preventative care which includes insulin and some related supplies.

- *This will not impact the advocates that testified*: There were comments made about how this bill may not impact some of the advocates for the bill. As the Director of Government Affairs for the American Diabetes Association it is my job to advocate for all people with diabetes. I have worked with the advocates who testified in support of this bill and while they may not personally benefit at this time, their current copay is at the discretion of the health plans and could be changed at any time. In addition, they are testifying for the broader diabetes community in North Dakota.
- *What devices are included*: There was a comment made about supplies covered by this bill and there are not as the health plans put it "high tech" devices included in this bill. The bill explicitly states that this cap is <u>not</u> applied to continuous glucose monitors or insulin pumps. I believe that what this bill includes is the basic supplies needed to administer insulin.

- *Some health plans are already doing this*: While some plans may have lower cost sharing amounts for some members, this bill is seeking to level the playing field for all plans and enrollees for state regulated health plans.
- *Concerns about impact of premiums*: Data from other states have shown that this legislation has had a negligible impact on premiums but it will help people better manage their disease and improve their health outcomes, which can reduce the cost of healthcare. I would be happy to supply this information, which was also included in my written testimony.
- *Why just diabetes and not limit for other chronic diseases*: For so many of us, our body makes insulin naturally. I do not have to think about waking up each day and making sure I give myself the correct amount but for people with diabetes their body either does not produce it or is using it incorrectly. But we all need insulin to live and that is why addressing the cost for insulin is critical because it's a lifesaving drug. The cost of insulin has made many news headlines over the years as the cost of insulin nearly tripled between 2002 and 2013 and people with diabetes account for $1 of every $4 spent on health care in the U.S. So in addition to being lifesaving this medication has excessive costs despite the fact that insulin is over 100 years old and studies show it costs between $3.69 and $6.16 to produce a vial of analog insulin.

Similar legislation has now been passed in 22 states plus the District of Columbia. Additionally, Congress passed legislation last year and as of January 1, 2023 all Medicare enrollees have an out-of-pocket cost sharing limit of $35 for a 30 day supply. There are approximately 54,372 people in North Dakota with diabetes, or 9.1% of the adult population and every year it is estimated that 5,376 people will be diagnosed. In 2017 the total direct medical expense in the state was estimated to be $471 million with an additional $190 million spent on indirect costs from lost productivity. This bill can help people better manage their disease and reduce these costs to the state.

I hope we can work together to pass legislation to help people with diabetes. I deeply appreciate the time you have spent working on this bill. Please do not hesitate to reach out if you have any questions.

Carissa

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