



House Bill 1114 – Support
January 9, 2025
House Government and Veterans Affairs
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Chair Schauer and Members of the House Government and Veterans Affairs Committee,

My name is Janelle Moos, Advocacy Director with AARP North Dakota. AARP is a nonpartisan, nonprofit, nationwide organization with nearly 38 million members. 83,000 of those members live in North Dakota.

The current cost of prescription drugs poses a significant burden to midlife and older adults, with eight in ten (82%) adults 50 and older describing them as too expensive, [according to AARP research](#). To relieve consumers' financial burdens, some states have considered placing a cap on a consumer's out-of-pocket (OOP) prescription drug expenses. States have designed out-of-pocket caps in several ways, including applying spending limits to certain drugs, or applying the cap to a consumer's overall monthly or annual prescription drug expenditures.

North Dakota joined 28 other states in 2023 by passing SB 2140 that implemented a two-year pilot program capping the monthly out of pocket costs for insulin and medical supplies used to administer the insulin for those on the state PERS plan. SB 2140 also instructed PERS to introduce a bill during the 2025 session to extend the cap on out of pockets expenses to the general state insurance marketplace for individual and small group insurance plans.

We hear stories from North Dakotans trying to manage the high cost of medicine along with paying for other necessities like food and utilities. For example, Dennis, a diabetic, told us he may have to go back to work after retiring to pay for his insulin- his co-pay is about \$100/month- with insurance-and without insurance, his co-pay would be about \$400/month.

In North Dakota, the most vulnerable and underserved populations suffer from the highest rates of diabetes and have the poorest health outcomes. Based on the Behavioral Risk Factor Surveillance System (BRFSS) data, in 2022, 57,203 adults in North Dakota were living with diabetes, including 13.8% between the age of 55-64 and 19.6% of people 65+. Another 226,430 were prediabetic, including 48,560 (49%) that were 65 and older.

From 2009 to 2019, the price of insulin tripled even though there's been no change in the product. The result is many people ration their doses or go without, often with deadly consequences. And these high prices have led a growing number of patients who rely on the lifesaving drug to resort to rationing or skipping doses because they can't afford the medication. Insulin caps could make life-essential drug more affordable and accessible for many older adults.

Placing a cap on consumer's out-of-pocket prescription drug expenses is one approach that some states are considering relieving consumer's financial burdens and can lead to two outcomes:

- Lowering a consumer's out-of-pocket prescription drug expenditures, making prescriptions more affordable and accessible at the point of sale
- The potential to improve drug adherence and reduce cost-related behaviors like splitting medications or not filling a prescription at all

Caps on out-of-pocket costs typically benefit a specific group of consumers. As such, AARP supports joining such efforts with policy changes that will help reduce prescription drug prices.

We encourage the legislature to consider this bill along with other broader reforms as part of the conversation to help lower the cost of prescription drugs for North Dakotans.

Thank you again for your thoughtful work on this issue.

We appreciate any effort to make medicine more affordable and urge you to vote in favor of HB 1114.