

## **TESTIMONY IN FAVOR of HB 2557**

February 12, 2020

Chairman Jene Vickrey and Members of the House Insurance Committee,

The Kansas Chapter, American Academy of Pediatrics (KAAP) represents over 90% of the practicing pediatricians in the state. The KAAP has the fundamental goal that all children and adolescents in Kansas have the opportunity to grow safe and strong. It is with this goal in mind that we want to share our support of HB 2557 establishing a \$100 maximum out-of-pocket cost per month per person for prescription insulin.

Insulin is used to treat diabetes. Type 1 Diabetes (T1D) makes up the majority of cases of diabetes in pediatric patients. It is one of the most common chronic diseases of childhood, affecting ~1 in 300 children in the US. In T1D, the immune system attacks the insulin-producing cells of the pancreas, and the patient produces little to no insulin. Exogenous insulin is a life-sustaining requirement for these patients, and prior to insulin, the disease was 100% fatal. This affects patients' lives forever. Short-term complications include diabetic ketoacidosis (DKA) which can cause severe blood pH imbalances, brain swelling, and death. Long term, diabetes is a leading cause of end-stage renal disease, blindness, and lower limb amputations in the US.

Families of children with diabetes <u>spend more than three times</u> as much on healthcare compared to those without diabetes, with an average cost of \$13,741 per year. The cost of medications and devices is the number one barrier to control of their blood sugar. At least 25% of patients with diabetes admit to rationing insulin because of the cost and this can be not only dangerous, but deadly. Thus, the importance of keeping T1D drugs affordable exemplifies the need for healthcare legislation to address the high cost of insulin.

Between 2002 and 2013 the average price of insulin tripled and far exceeds medical inflation. These price increases can particularly impact patients who are uninsured, have high co-pay or co-insurance costs, or have high-deductible health plans. As cost sharing requirements increase, medication adherence decreases, leading to worse health outcomes. High co-pays can have a disproportionate effect on patients with diabetes, as they need multiple medications and medical supplies in order to stay healthy. For example, one patient's co-pay for one vial of insulin is \$150 and he uses two vials per month. This equates to \$3600 per year which only accounts for his insulin. In addition, he needs to purchase test strips, syringes, and supplies for hypoglycemia. Test strips typically cost \$1-2 each and should be used four times daily at a minimum.



Patients with T1D have <u>no alternative therapy</u> options to insulin and their life depends on access to insulin. HB 2557 will save lives and help children with T1D control their disease and have better outcomes.

Thank you for your time and attention. We welcome any questions you might have and are happy to serve as your resource on all pediatric issues. Please let us know if we can provide further information, education, or resources.

Respectfully submitted,

Dr. Dena Hubbard, MD, FAAP Legislative Coordinator Kansas Chapter, American Academy of Pediatrics

## References:

- 1. American Association of Clinical Endocrinologists <u>AACE Diabetes Resource Center</u>. http://outpatient.aace.com/type1-diabetes/the-burden-of-type-1-diabetes
- 2. Montgomery, B. (2018, April 10). <u>Pay or Die: The Price to Stay Alive.</u> https://www.thediabetescouncil.com/pay-or-die-the-price-to-stay-alive/
- 3. <u>Juvenile Diabetes Research Foundation Advocacy Position Statement. Achieving Insulin</u>
  Access and Innovation
- **4.** <u>CDC: Diabetes. Put the Brakes on Diabetes Complications</u>
  <a href="https://www.cdc.gov/features/preventing-diabetes-complications/index.html">https://www.cdc.gov/features/preventing-diabetes-complications/index.html</a>