

MARYLAND STATE ADVISORY COUNCIL ON HEALTH AND WELLNESS

MEMBERS

February 23, 2022

Jessica Kiel, M.S., R.D., Chair

Salliann Alborn

Mary Backley

Sumit Bassi, M.D.

Crystal Bell, M.P.A.

Mary Pat Bertacchi, M.S., R.D.

Felicia Brannon, M.P.A.

Jonathan Dayton, M.S., N.R.E.M.T

Jennifer Eastman, M.B.A.

Mychelle Farmer, M.D.

Lois Freeman, D.N.P.

Gary Gerstenblith, M.D.

Roger Harrell, M.H.A.

Namisa Kramer, M.S.

Julie Maneen, M.S.

Seth Martin, M.D.

Aruna Nathan, M.D.

Rachel Pigott, O.T.R./L, M.P.H.

Cameron Pollock, M.P.H.

Vaple Robinson, Ph.D.

Vivienne Rose, M.D.

Jason Semanoff, M.S.

Geeta Sharma, M.P.T.

Afton Thomas, D.O.

Teresa Titus-Howard, PhD.

Sara Vazer, M.D.

Kristin Watson, PharmD.

Pamela Williams, M.H.A.

Vanina Wolf, L.Ac.

Pamela Xenakis, R.D.

The Honorable Vanessa E. Atterbeary
Chair, House Ways and Means Committee
Room 131, House Office Building
Annapolis, MD 21401

RE: HB 1151 - Sales and Use Tax - Diabetic Care Products - Exemption

Dear Chair Atterbeary and Committee Members:

The Maryland State Advisory Council on Health and Wellness (the Council) is submitting this letter of support for House Bill 1151 (HB 1151), titled "Sales and Use Tax – Diabetic Care Products – Exemption." HB 1151 would make many of the medical supplies people with diabetes use on a regular basis, such as continuous glucose monitors, syringes, lancets, and test strips, exempt from the state sales and use tax.

The Council supports HB 1151 as it seeks to promote health and prevent disease complications by reducing the cost of crucial diabetes management products, ensuring people with diabetes can avoid both short- and long-term health consequences.

Over 10 percent of Marylanders have been told by a health care provider they have diabetes.¹ In 2019, diabetes was the sixth leading cause of death among all Maryland residents and the fifth leading cause of death among black Maryland residents.^{2,3} In addition to the health and lifestyle complications associated with the disease, diabetes is also a major risk factor for developing cardiovascular disease, the number one cause of death both in Maryland and nationwide.⁴

Medical expenses for people with diabetes are more than twice that of those who do not have diabetes. In 2017 alone, diabetes and associated complications accounted for \$4.9 billion in direct medical expenses in Maryland.⁵ Medical experts recommend people with diabetes test their blood sugar daily, if not multiple times per day, using supplies such as lancets, test strips, and glucose monitors.⁶ In addition to daily blood sugar monitoring, proper diabetes management can also involve using medications such as insulin or dietary supplements like glucose drinks or gels to control blood sugar.⁷ The cost of these daily supplies adds up quickly and may be difficult for people with diabetes to afford. People living with diabetes frequently experience economic hardship due to medical expenses, with at least 40% reporting economic hardship and 15% reporting they are unable to pay medical bills.⁸ One recent study found the average

¹ Maryland Behavioral Risk Factor Surveillance System (2020). <https://nccd.cdc.gov/BRFSSPrevalence/>.

² National Center for Health Statistics (2019). <https://www.cdc.gov/nchs/pressroom/states/maryland/md.htm>, retrieved 26 January 2022.

³ Maryland Department of Health, Vital Statistics Administration (2020). Maryland Vital Statistics Annual Report 2019.

<https://health.maryland.gov/vsa/Documents/Reports%20and%20Data/Annual%20Reports/2019Annual.pdf>.

⁴ U.S. Department of Health and Human Services (2021). Mortality in the United States, 2020. <https://www.cdc.gov/nchs/data/databriefs/db427.pdf>.

⁵ American Diabetes Association (2021). The Burden of Diabetes in Maryland.

https://diabetes.org/sites/default/files/2021-11/ADV_2021_State_Fact_sheets_Maryland_rev.pdf.

⁶ Mayo Clinic. Blood Sugar Testing: Why, When and How.

<https://www.mayoclinic.org/diseases-conditions/diabetes/in-depth/blood-sugar/art-20046628>. Retrieved 14 February 2022.

⁷ National Institutes of Health. Know Your Blood Sugar Numbers: Use Them to Manage Your Diabetes.

<https://www.niddk.nih.gov/health-information/diabetes/overview/managing-diabetes/know-blood-sugar-numbers#low>. Retrieved 14 February 2022.

⁸ <https://www.ahajournals.org/doi/10.1161/CIRCOUTCOMES.119.006139>

out-of-pocket costs for a person with type 1 diabetes to be \$2,500 per year.⁹ Removing the sales and use tax will reduce the economic burden of diabetes management.

The Council agrees with the following statements as they relate to the passage of HB 1151:

- When patients are unable to afford their medications and disease management supplies, they may ration their supplies to last longer or may stop taking the medication altogether.
- Patients who are not able to manage their diabetes are at greater risk for both acute and chronic diabetes complications, as well as high levels of emergency department utilization.
- People with high out-of-pocket costs are less adherent to recommended dosing, which results in short- and long-term harm to their health.
- Achieving glycemic control and controlling cardiovascular risk factors reduces diabetes complications, comorbidities, and mortality.¹⁰
- All people with diabetes should have access to the medications and supplies they need to manage their condition.

The Council respectfully urges this Committee to approve HB 1151 as an important action to help reduce the financial burden for people living with diabetes in Maryland. Ensuring affordable testing, monitoring, and treatment supplies for people with diabetes could significantly improve diabetes management, reduce diabetes complications and mortality, and promote overall health for a lifetime.

Sincerely,

A handwritten signature in cursive script that reads "Jessica Kiel". The signature is written in black ink and is positioned to the left of the typed name.

Jessica Kiel, M.S., R.D., Chair, State Advisory Council on Health and Wellness

⁹ Chua K, Lee JM, Conti RM. Out-of-Pocket Spending for Insulin, Diabetes-Related Supplies, and Other Health Care Services Among Privately Insured US Patients With Type 1 Diabetes. *JAMA Intern Med.* 2020;180(7):1012–1014. doi:10.1001/jamainternmed.2020.1308.

¹⁰ Cefalu, William T, Insulin Access and Affordability Working Group: Conclusions and Recommendations, *Diabetes Care* 2018 Jun; 41(6): 1299-1311.