



**House Bill 4346
Proponent Testimony**

Gary Dougherty
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American Diabetes Association
House Health Policy Committee
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Chair Kahle and Members of the House Health Policy Committee:

My name is Gary Dougherty and I am the Director of State Government Affairs for the American Diabetes Association® (ADA). Unfortunately, I am unable to join you this morning; therefore, I am submitting written testimony in support of House Bill 4346.

People with diabetes are facing a crisis.

Of the 34.2 million Americans with diabetes¹, about 6.8 million use insulin². Right here in Michigan, more than 3.7 million people have or are at risk for diabetes³. Many people with diabetes need insulin to live and to avoid devastating complications that include blindness, kidney failure, lower limb amputation, heart attack, stroke, and even death. For them, the cost has spiraled out of control and is beyond the reach of many.

Insulin prices have tripled between 2002 and 2013⁴ and have doubled since then⁵ - for a medicine that is nearly 100 years old. There have been incredible advances in research and development and technology that have improved the lifespan and quality of life for those with diabetes, but the formula for insulin has not changed since the 1990s.

Without insulin, people with diabetes die and scaling back on insulin can lead to costly and sometimes deadly complications. Even before the pandemic, people with diabetes were sometimes forced to choose between paying for insulin and paying for other essentials like rent, utilities, or food for their families. ADA research has shown that, for one in four insulin users, cost has impacted their use.⁶ Rationing or skipping doses of insulin is unsafe and can lead to costly and preventable emergency room and hospital visits.

The cost to produce a vial of most analog insulins is between \$3.69 and \$6.16.⁷ The most commonly prescribed insulins typically cost upwards of \$300 per vial and people often need multiple vials of insulin each month.

People shouldn't die because they can't afford to live.

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We at the American Diabetes Association consistently hear from people with diabetes who struggle to afford their insulin. There is no medication that can be substituted for insulin. It is, in fact, life-sustaining and many Michiganders are struggling to obtain the insulin they need to survive.

HB 4346 would help people in state-regulated health plans by capping the cost they are paying for their insulin at \$50 per 30-day supply, regardless of the amount or type of insulin needed to fill a person's prescription. By ensuring that insulin is affordable, people with diabetes are then in a position to stay healthy and productive. Proper management of their diabetes in turn reduces costly complications. The Association estimated that the cost of diabetes in Michigan in 2017 was more than \$12 billion⁸. By keeping insulin affordable, we can help keep people with diabetes out of the ER and the hospital, and away from expensive and potentially disabling or deadly complications.

Colorado enacted the first-in-the-nation insulin co-pay cap law in 2019 with 13 additional states following suit last year. Already this year, the Mayor of the District of Columbia has signed insulin co-pay cap legislation into law. Michigan should continue this momentum by enacting HB 4346.

It's time to reduce the financial burden on Michigan diabetes patients who need insulin. People with diabetes, Michiganders with diabetes, *your constituents with diabetes* are sometimes forced to choose between insulin and rent or between insulin and food to survive.

The American Diabetes Association believes that no individual in need of life-saving medications should ever go without due to prohibitive costs or accessibility issues. We support HB 4346 and urge you to vote yes.

¹ U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, "National Diabetes Statistics Report 2020: Estimates of Diabetes and Its Burden in the United States, <https://www.cdc.gov/diabetes/pdfs/data/statistics/national-diabetes-statistics-report.pdf>

² American Diabetes Association, "Fast Facts: Data and Statistics about Diabetes," February 2020,

https://professional.diabetes.org/sites/professional.diabetes.org/files/media/sci_2020_diabetes_fast_facts_sheet_final.pdf

³ Diabetes Care 2019;42:1661–1668 | <https://doi.org/10.2337/dc18-1226>

⁴ Diabetes Care 2018;41:1299–1311 | <https://doi.org/10.2337/dci18-0019>

⁵ "Spending on Individuals with Type 1 Diabetes and the Role of Rapidly Increasing Insulin Prices," Health Care Cost Institute, January 2019 - <https://healthcostinstitute.org/research/publications/entry/spending-on-individuals-with-type-1-diabetes-and-the-role-of-rapidly-increasing-insulin-prices>

⁶ American Diabetes Association, Insulin Affordability Survey, 2018, available at <http://main.diabetes.org/dorg/PDFs/2018-insulin-affordability-survey.pdf>

⁷ Gotham D, Barber MJ, Hill A. Production costs and potential prices for biosimilars of human insulin and insulin analogues. *BMJ Glob Health* 2018;3:e000850. doi:10.1136/bmjgh-2018-000850, available at <https://gh.bmi.com/content/3/5/e000850>

⁸ Diabetes Care 2019;42:1661–1668 | <https://doi.org/10.2337/dc18-1226>

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