

October 8, 2019

William Melofchik
General Counsel
NCOIL National Office
2317 Route 34, Suite 2B,
Manasquan, New Jersey 08736
Sent *via* Email to wmelofchik@Ncoil.org

RE: NCOIL Model Workers' Compensation Drug Formulary Act

Dear Mr. Melofchik:

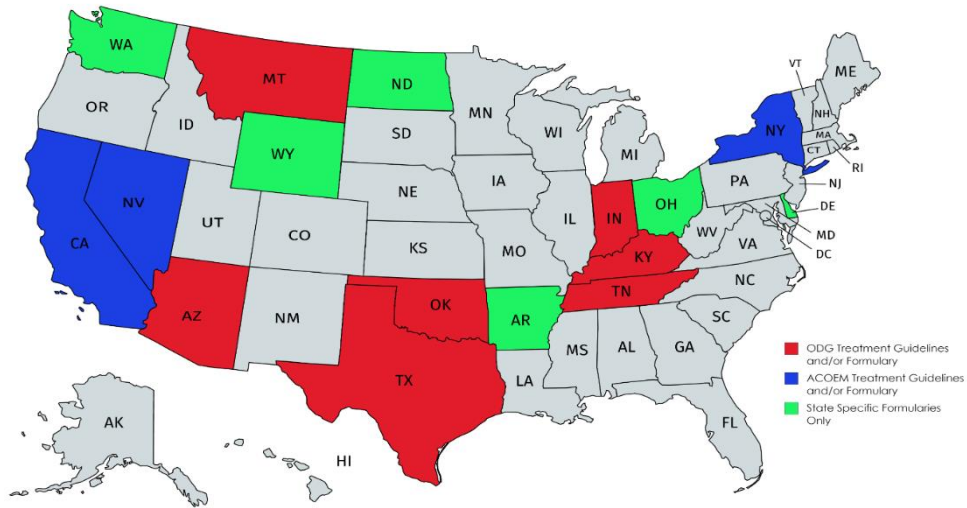
This letter contains joint comments from MedChi, the Maryland State Medical Society, and the Physicians Research Institute (PRI) with respect to the referenced Model Act, which is being discussed on a conference call this coming Thursday, October 10th.

MedChi was chartered by the General Assembly of Maryland in 1799 and, since that time, has been the voice of organized medicine in Maryland. PRI was established in January 2016 by State Medical Societies concerned about the loss of physician autonomy, particularly in the area of workers' compensation. At the current time, 37 State Medical Societies are members of PRI.

Initially, MedChi and PRI agree with the formal comments of the American Medical Association (AMA) which detail multiple issues with the current draft.

Additionally, MedChi and PRI would question a central provision of the bill: The requirement that the drug formulary be a "nationally recognized, evidence-based drug formulary, for use in the workers' compensation system...." There are only two companies that would qualify under this definition, one being the ODG formulary marketed by MGC/Hearst Health and the other being the ACOEM formulary marketed by The Reed Group, a wholly-owned subsidiary of Guardian Life Insurance Company of America.

MedChi and PRI believe that there are currently 16 states (map below) which have a drug formulary in the workers' compensation area. Six of those states are "state specific" formularies and would not qualify under the current definition in the draft Model Act. Moreover, any state that wants to develop a future formulary that is "state specific" would not qualify under the current definition.



MedChi and PRI do not understand why the words “nationally recognized” are included in this draft unless the purpose is to direct business to the ODG or AECOM formularies. By all accounts, “state specific” formularies such as those in Ohio and North Dakota (the very first formulary in 2006) have been very successful.

Given the multiple issues with the current Draft, MedChi and PRI would request that consideration of this Draft be delayed until these multiple issues are resolved.

Very truly yours

Gene M. Ransom, III
 CEO, MedChi
 The Maryland State Medical Society

Joseph A. Schwartz, III
 President
 Physicians Research Institute

cc: The Honorable Brian J. Feldman sent *via* email to Brian.Feldman@senate.state.md.us
 The Honorable Kriselda Valderrama sent *via* email to kris.valderrama@house.state.md.us
 Daniel Blaney-Koen, American Medical Association