



Maryland Municipal League  
*The Association of Maryland's Cities and Towns*

TESTIMONY

March 29, 2023

**Committee:** Senate Finance

**Bill:** HB 357 – Pharmacy Benefits Managers - Definition of Purchaser and Alteration of Application of Law

**Position:** Oppose

**Reason for Position:**

The Maryland Municipal League strongly opposes HB 357, which effectively limits the tools Pharmacy Benefits Managers (PBMs) can use to negotiate pharmaceutical prices on behalf of their clients, including local governments.

By restricting the ability to design all aspects of benefits plans, to have full management over contracting with vendors to provide benefits, and to create the checks and balances employers deem necessary to protect staff and their financial contributions to the plan, this legislation increases the cost of co-pays and overall plans, infringing on an employer's ability to offer affordable benefits.

Our 157 towns and cities employ thousands of Maryland residents across the State. Most municipalities cannot afford to pay the salaries offered in the private sector; providing comprehensive and affordable benefits is one of the few tools we have to attract and retain staff and thereby provide quality services to our residents. Increasing the cost of providing those benefits will be detrimental to our members and their employees.

For these reasons, the League joins the Maryland Association of Counties (MACo) and respectfully requests that this committee provide HB 357 with an unfavorable report.

**FOR MORE INFORMATION CONTACT:**

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