



**LEGISLATIVE POSITION:**

**LEGISLATIVE POSITION:**

**Unfavorable**

**House Bill 357 - Pharmacy Benefits Managers - Definitions of Carrier, ERISA, and Purchaser**

**House Health and Government Operations Committee**

**Thursday, March 2, 2023**

Dear Chairwoman Pena-Melnyk and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,400 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

House Bill 357 amends current State law governing pharmacy benefit managers by repealing the previous definitions of “carrier” and “ERISA” and altering the definition of “purchaser.” As a result, the bill seeks to expand the State regulations governing pharmacy benefit managers to additional entities providing prescription drug coverage or benefits in the State, including programs subject to the federal Employee Retirement Income Security Act of 1974 (ERISA).

This legislation will have major impacts on both employers and employees throughout the State. With the majority of private sector employees participating in healthcare plans that are covered under ERISA protections, the Chamber would urge the committee to avoid any legislative action that could potentially increase healthcare costs for Marylanders and negatively impact the ability of health plan providers to design affordable products for the Maryland healthcare market. While we understand that the *Rutledge* Supreme Court decision has opened the door to new and additional state regulation, the Chamber is concerned that further state regulation of ERISA protected health plans will result in worse outcomes for both employers and employees.

Healthcare coverage must remain affordable so that employers can continue to offer these benefits that employees both want and cherish. For these reasons, the Maryland Chamber of Commerce respectfully requests an **Unfavorable Report** on **HB 357**.