

THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: Senate Bill 388 - Prescription Drug Affordability

Board - Authority for Upper Payment Limits and Funding (Lowering Prescription Drug Costs for All

Marylanders Act of 2024)

SPONSOR: Senators Gile, Feldman, Beidle, Ellis, Guzzone,

Hester, Hettleman, Jackson, Klausmeier, Kramer,

and Lam

HEARING DATE: February 7, 2024

COMMITTEE: Finance

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS** Senate Bill 388, which expands the authority of the Prescription Drug Affordability Board created in 2019. SB388 would allow the Board to enact upper payment limits for high-cost drugs to ensure they are affordable for residents of Maryland.

Many people rely on prescription drugs to manage their health. Almost half (49%) of all people in the United States use at least one prescription drug, and over one in ten (13%) use five or more prescriptions. Seniors (65+ years) have even higher usage, with almost nine out of ten (88%) using at least one prescription drug. Despite heavy reliance on prescription drug treatment, cost in this industry is not well-regulated. In 2018, the United States spent over \$335 billion dollars on prescription drugs, representing one-tenth (9%) of all national health expenditures.

As the cost of prescription drugs continues to climb, the financial burden of accessing needed medical treatment increases. In 2018, one in 20 people reported not taking a prescribed medication because they could not afford it. iv In 2022, residents of Prince George's County identified the cost of prescription drugs as one of three key barriers to receiving adequate care for their families. v

Residents should not face financial hardships to get the prescription medications they need to manage their health. As protectors of the public's health, it is the responsibility of government to regulate and provide accountability for the pharmaceutical industry.

Empowering this Board with authority to manage excessive drug pricing is an important step in regulating an industry that remains largely unchecked.

For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS Senate Bill 388** and asks for a **FAVORABLE** report.

[†] Centers for Disease Control and Prevention, National Center for Health Statistics. *Therapeutic Drug Use.* November 3, 2023. https://www.cdc.gov/nchs/fastats/drug-use-therapeutic.htm

^{II} Centers for Disease Control and Prevention, National Center for Health Statistics. *Prescription drug use in the past 30 days, by sex, race and Hispanic origin, and age: United States, selected years 1988-1994 through 2015-2018.* 2018. https://www.cdc.gov/nchs/data/hus/2019/039-508.pdf

ⁱⁱⁱ Centers for Disease Control and Prevention, National Center for Health Statistics. *National health expenditures, average annual percent change, and percent distribution, by type of expenditure: United States, selected years* 1960-2018. 2019. https://www.cdc.gov/nchs/data/hus/2019/045-508.pdf

iv Centers for Disease Control and Prevention, National Center for Health Statistics. *Delay or nonreceipt of needed medical care, nonreceipt of needed prescription drugs, and nonreceipt of needed dental care during the past 12 months due to cost, by selected characteristics: United States, selected years 1997–2018.* 2019. https://www.cdc.gov/nchs/data/hus/2019/029-508.pdf

^v Prince George's County Health Department. *2022 Prince George's County Community Health Assessment*. https://www.princegeorgescountymd.gov/sites/default/files/media-document/2022%20Community%20Health%20Needs%20Assessment Reduced.pdf