

MARYLAND LEGISLATIVE LATINO CAUCUS

Lowe House Office Building, 6 Bladen Street, Room 200 · Annapolis, Maryland 21401 Phone 410-841-3374 | 301-858-3374 · 800-492-7122 Ext. 3374 · Fax 410-841-3342 | 301-858-3342 latino.caucus@house.state.md.us · www.mdlatinocaucus.org

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TO: Senator Pamela Beidle, Chair

Senator Katherine Klausmeier, Vice Chair

Finance Committee Members

FROM: Maryland Legislative Latino Caucus

DATE: 2/14/24

RE: SB388 - Prescription Drug Affordability Board - Authority for

Upper Payment Limits and Funding

<u>The MLLC supports SB388 - Prescription Drug Affordability Board - Authority for Upper Payment Limits and Funding, 2024</u>

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of SB388.

According to the 2023 Prescription Drug Affordability Board report, prescription drug prices are rising at a national level, often quicker than the rate of inflation. A 2022 survey revealed that, on average, 49 percent of Maryland adults felt worried about the cost of prescription drugs, though the percentage increased to 62 percent for adults earning less than \$50,000 a year. When looking at the Latino community, the survey showed that 16 percent of adults cut pills in half or skipped a dose, and 15 percent did not fill a prescription. Nationwide, according to a report by the US Centers for Disease Control and Prevention, 9.7 percent of Latinos did not take prescribed medication due to the cost. In addition, Latino adults ages 65 and over have difficulty affording prescription drugs at rates 1.5 to 2 times higher than White adults.

SB388 will require the Prescription Drug Affordability Board, in consultation with the Stakeholder Council, to determine whether to establish a process or setting upper payment limits for all purchases and payor reimbursements of prescription drug products if affordability challenges might arise. The upper payment limits will be in accordance with Article – Health – General § 21–2C–14(A). When making a determination, the Board will consider, if available, contract and budget data that shows the savings to the state or local governments as a result of the upper payment limits.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on SB388.

⁴ Latino Adults More Likely Than Others to Skip Medication Due to Cost

¹ Md. Board Hopes to Identify First Round of Prescription Drugs for Price Evaluations in 2024

² Maryland Residents Worried about High Drug Costs: Support a Range of Government Solutions

³ Ibid.

⁵ Inflation Reduction Act Research Series— Projected Impacts for Latino Medicare Enrollees