



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

February 8, 2024

TO: The Honorable Pamela Beidle
Chair, Finance Committee

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee

FROM: Marc Elrich
County Executive

RE: Senate Bill 388, *Prescription Drug Affordability Board - Authority for Upper Payment Limits and Funding (The Lowering Prescription Drug Costs For All Marylanders Now Act)*

Senate Bill 388 requires the Prescription Drug Affordability Board to make a recommendation and establish a process for setting upper payment limits for all purchases and payor reimbursements of prescription drug products in the State that the Board determines have led or will lead to affordability challenges. The bill also requires the Governor in fiscal year 2025 and each fiscal year thereafter to include in the annual budget bill an appropriation of at least \$1,000,000 for the Prescription Drug Affordability Fund which provides funding for the Board.

Since 2019, Maryland has been a leader in reigning in the cost of prescription drugs with the establishment of the Prescription Drug Affordability Board. Accessing affordable prescriptions is a life or death issue for our residents, which is why I write to you today to urge you to make it a priority of the 2024 Session to expand the authority of the Board so that all Marylanders can receive the benefits of making expensive prescription drugs more affordable.

Currently, the Prescription Drug Affordability Board can set upper payment limits for prescription drugs purchased by state, county, or local governments. We look forward to substantial savings on pharmaceutical expenses in our County budget once the Board's limits are in place. Yet it is only right that everyone in our County enjoy these savings, not just those who work in our government. Therefore, it is critical that the Board should be enabled to expand upper payment limits to all purchases of prescription drug throughout the State.

I respectfully urge the committee to issue a favorable report on Senate Bill 388.

cc: Members of the Finance Committee
Members of the Budget and Taxation Committee