



Date: February 7, 2024

To: The Honorable Pamela Beidle, Chair

From: Aliyah N. Horton, FASAE, CAE, Executive Director, MPhA, 240-688-7808

Cc: Members, Senate Finance Committee

Re: INFORMATION: SB 388 - Prescription Drug Affordability Board - Authority for Upper Payment Limits and Funding

The Maryland Pharmacists Association (MPhA) is submitting this letter of information regarding **SB 388- Prescription Drug Affordability Board - Authority for Upper Payment Limits and Funding (The Lowering Prescription Drug Costs For All Marylanders Now Act)**.

Pharmacists are the healthcare providers facing patients who are challenged managing the costs of their medications. High out-of-pocket costs are often a barrier to medication access and adherence. We support efforts to address this issue.

However, we also have questions regarding whether fixing one problem will exacerbate others.

- Are there safeguards to ensure the proposed Upper Payment Limits (UPL) do not negatively impact pharmacies and pharmacists' ability to serve their communities?
- How will PDAB ensure that the cost-savings are not put on the backs of pharmacies, via even lower reimbursements by PBMs and other intermediaries? As the committee learned in the briefing from MDH in January, within the Medicaid MCO space, pharmacy reimbursements for medications are below cost and the dispensing fees are in the pennies. Clarity is needed to ensure that the situation is not worsened.
- What entity is intended to cover the difference between the UPL and the pharmacy's cost to acquire and dispense the targeted medications?
- Is it within PDAB's jurisdiction to ensure pharmacies are reimbursed for their drug acquisition costs and provided a dispensing fee at the Medicaid-fee-for-service rate for any medication subject to UPLs?

MARYLAND PHARMACISTS ASSOCIATION - Founded in 1882, MPhA is the only state-wide professional society representing all practicing pharmacists, pharmacy technicians and student pharmacists in Maryland. Our mission is to strengthen the profession of pharmacy, advocate for all Maryland pharmacists and promote excellence in pharmacy practice.