



Testimony in Support of SB 388
Prescription Drug Affordability Board-Authority for Upper Payment Limits and
Funding (Lowering Prescription Drug Costs for All Marylanders Act of 2024

Senate Finance Committee

February 6th, 2024

Dear Honorable Chair Pamela Beidle, and Members of the Committee,

Progressive Maryland, a statewide non-profit grassroots organization with 20,000 individual members and supporters, 4 local chapters, and 21 affiliated labor, civil rights, health and environmental groups, is pleased to provide testimony in support of SB 388.

Our organization is eager to see the Committee take up this critical measure at this time. Skyrocketing drug costs have been taking a toll on Maryland families for years, particularly during the past three years, while we were in the throes of a global pandemic. While we all continue to pay more and try to figure out how we can afford the high cost medicines we need, the pharmaceutical companies are enjoying enormous profits and their CEOs are getting record breaking salaries and bonuses.

We believe as does the vast majority of everyday Marylanders we represent, that we need to address the greed in our healthcare system in order to make sure people's healthcare needs are being met when they need them. Too many people are struggling to pay for their medicines and rationing their medications because of cost. No one should be in that position.

This isn't right. Especially in light of what we pay in our country versus what residents of similar countries spend on the same drugs. We applaud The Prescription Drug Affordability Board and the excellent work it has done thus far with its staff, Board and Stakeholder Council. The PDAB gives our state the ability and opportunity to do something significant to curb high cost drugs.

The bill you're considering and that we strongly support will expand their authority and provide funding that will allow the Board to move ahead with an Upper Payment Limits action plan that will benefit our state and local governments and ultimately all Marylanders. PDAB is action in the best interests of our state and our residents.

Industry lobbyists who oppose this bill would have us believe that PDAB's actions, including setting Upper Payment Limits on high cost drugs, will hurt research and development and other advances. That's simply not true. Numerous studies have shown that drug companies are spending more money on advertising and stock buybacks than they are on R&D. It's also the case that it's often taxpayer funded research that drug manufacturers rely on.

Please vote yes on this measure to give Marylanders the financial and health relief they deserve and urge the full Senate to do the same.