



Ashley Woolard, Staff Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 224
woolarda@publicjustice.org

SB 388

Prescription Drug Affordability Board – Upper Payment Limits & Funding (Lowering Prescription Drug Costs for All Marylanders Act of 2024)

Hearing of The Senate Finance Committee

February 7, 2024

2:00 PM

SUPPORT

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Health and Benefits Equity Project advocates to protect and expand access to healthcare and safety net services for Marylanders struggling to make ends meet. We support policies and practices that are designed to eliminate economic and racial inequities and enable every Marylander to attain their highest level of health. **PJC strongly supports SB 388**, which would require the Prescription Drug Affordability Board’s to establish a process for setting upper payment limits on prescription drug products in the State that the Board determines have led or will lead to affordability challenges. It would also require the Governor to include in the annual budget bill an appropriation of \$1,000,000 for the Board in fiscal year 2025 and each fiscal year thereafter.

Many consumers have trouble affording their prescription drugs. Nationwide, approximately 1 in 4 Americans has trouble affording their prescription drugs, even with health insurance.¹ High prescription drug costs are a significant barrier to improving health and maintaining good health for many Marylanders, especially for low-income, under-insured and uninsured consumers and senior consumers with chronic medical conditions. Our healthcare system is not accessible if consumers are put in the position of having to choose between paying for their prescriptions or other necessities, like food and shelter. Without a means to control the increasing costs of prescription drugs, many Marylanders are left unable to follow the treatment recommendations of their physicians and may be at risk of further health complications.

SB 388 would help ensure that Marylanders have access to affordable prescription drugs. The Maryland General Assembly’s groundbreaking passage of the 2019 Prescription Drug Affordability Board law has served as a model for other states and SB 388 seeks to build on this success by strengthening the authority of the Board. SB 388, if passed

¹ Cynthia Cox, *Recent Trends in Prescription Drug Costs*, JAMA Network (2016), <https://jamanetwork.com/journals/jama/fullarticle/2510894>.

would restore the Board's authority to set upper payment limits for certain prescription drugs and provide a stable source of funding for the Board. The legislation promotes transparency in drug pricing and would help eliminate high prescription drug costs as a barrier to good health for Marylanders. While Maryland has made great strides in ensuring more Marylanders can access timely healthcare, we must ensure that consumers can financially afford to follow their physician's recommendations to attain their highest level of health.

SB 388 is consistent with Maryland's mission to promote the health of all Marylanders through access to care and community engagement. For these reasons, the Public Justice Center urges the committee to issue a **FAVORABLE** report for **SB 388** to provide relief to Marylanders who cannot afford rising prescription drug costs. If you have any questions about this testimony, please contact Ashley Woolard at 410-625-9409 ext. 224 or woolarda@publicjustice.org.