



TESTIMONY TO THE SENATE FINANCE COMMITTEE

SB 357: Prescription Drug Affordability Board- Authority for Upper Payment Limits (Lowering Prescription Drug Costs for All Marylanders Now Act)

POSITION: Support

BY: Linda Kohn, President

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The League of Women Voters Maryland is a nonpartisan organization that works to influence public policy through education and advocacy. **The League believes that every resident should have access to affordable, equitable, quality health care, including essential medications.** The League supports **Senate Bill 357**, which would enable the Board to lower prescription drugs costs for ALL Marylanders, and not just those covered by state and local government health plans.

Per the NIH, "In 2023, overall pharmaceutical expenditures in the U.S. grew 13.6% compared to 2022, for a total of \$722.5 billion."¹ Per JAMA,² [Prescription drug] **spending is driven by high-cost brand-name drugs, for which manufacturers freely set prices after approval...** From 2008 to 2021, launch prices for new drugs increased exponentially by 20% per year. In 2020-2021, **47% of new drugs were priced above \$150,000 per year...**"

Patients taking high-cost prescription drugs may be unable to afford them, even if they have insurance coverage that pays part of the cost. They may thus delay filling a prescription, cut pills in half, or skip doses altogether to stretch supply. Families may have to choose between paying the rent and paying the pharmacy. **Healthcare providers see the dangerous consequences of their patients' inability to afford essential medications.**

Maryland's Prescription Drug Affordability Board is in the process of implementing upper payment limits on high-cost drugs for Marylanders who are covered by state and local government health plans, which reduces financial pressure both on patients and those plan's budgets. **Senate Bill 357 would expand the authority of the Board to implement broader cost controls that would benefit ALL Marylanders**, enabling them to better afford the medications needed to maintain their health and their lives. By making upper payment limits available to all, the bill would reduce disparities in healthcare access. This is a matter of equity, as low-income Marylanders are the hardest hit by continually rising drug prices.

The League of Women Voters Maryland, representing 1,500+ concerned members throughout Maryland, urges a favorable report on Senate Bill 357.

¹[https://pubmed.ncbi.nlm.nih.gov/38656319/#:~:text=Results%3A%20In%202023%2C%20overall%20pharmaceuti cal,%25%20increase\)%20drove%20this%20increase.](https://pubmed.ncbi.nlm.nih.gov/38656319/#:~:text=Results%3A%20In%202023%2C%20overall%20pharmaceuti cal,%25%20increase)%20drove%20this%20increase.)

² <https://jamanetwork.com/journals/jama/fullarticle/2792986>