

## Quality and Value Based Benefits www.nlahcc.org

March 24, 2025

The Honorable Chairman Pamela Beidle Senate Finance Committee 3 East Miller Senate Office Building Annapolis, Maryland 21401

Re: Opposition to House Bill 321 - Pharmacy Benefits Managers – Definition of Purchaser and Alteration of Application of Law

Dear Chairwoman Beidle and Members of the Committee:

I am writing on behalf of the National Labor Alliance of Health Care Coalitions, representing over 6 million union members, retirees and dependents nation-wide. We urge caution in advancing policies that increase prescription drug costs for working families and oppose HB 321 as written.

As ERISA-governed plans, most of our health funds operate under federal law to provide cost-effective, high-quality benefits to members. If enacted, the policy changes from this bill will gut key federal provisions of the Employee Retirement Income Security Act of 1974 (ERISA), which our healthcare plans rely on to stay affordable and accessible. Specifically, the bill reduces our ability to negotiate best pricing, leading to higher plan costs and premium increases for our members and shifts savings away from our members, driving up overall expenses for union health plans and reducing flexibility to manage benefits.

As mentioned, these mandates would weaken our ability to keep healthcare costs affordable for union members and increase costs across the board. Accordingly, we urge policymakers to engage with labor stakeholders before advancing changes that could harm the very workers these policies aim to protect.

We welcome further discussion on solutions that balance affordability and access.

Respectfully Submitted,

Fred G. Brown

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