

HB 424 – Prescription Drug Affordability Board – Authority for Upper Payment Limits (Lowering Prescription Drug Costs for All Marylanders Now Act) Health and Government Operations Committee February 6, 2025

Position: FAVORABLE

AFSCME Council 3 represents 45,000 public sector employees across the state, and we proudly support HB 424. This legislation expands the authority of the Prescription Drug Affordability Board to establish a process for setting upper payment limits for private plans, in addition to the state plans they have current authority over.

Since 1970, we have fought for the rights of our members on issues surrounding fair wages, working conditions, and health care coverage, including addressing prescription drug affordability. The skyrocketing cost of prescription drugs not only threatens the health and financial well-being of our members, but it puts considerable strain on our state and local government budgets and our health care system, as well.

We are pleased to see the progress that the Prescription Drug Affordability Board has made to date, particularly with the inclusion of anti-diabetics as the initial drugs chosen for consideration. Anti-diabetics represent the single biggest cost for the state employee health plan, with net spending increasing over 100% between 2020 and 2024 from \$14.5 million to \$29.3 million. The runaway costs of prescription drugs drive our premiums upwards and threaten to force patients to shoulder higher out-of-pocket responsibilities.

AFSCME is proud to support the Prescription Drug Affordability Board in its current work, and we are eager to see House Bill 424 pass so that *all* Marylanders can afford the prescription drugs they need. We urge the committee to provide a favorable report on HB 424. Thank you.