



February 6, 2025

Delegate Joseline A. Pena-Melnyk, Chair
Delegate Bonnie Cullison, Vice Chair
Maryland House Health and Government Operations Committee Room 241
House Office Building
Annapolis, Maryland 21401

Dear Chair Pena-Melnyk, Vice Chair Cullison, and Honorable Members of the Committee:

On behalf of the undersigned organizations, representing diverse stakeholders in the healthcare supply chain, we would like to express our collective concerns regarding HB 424, a proposal to expand the UPL authority of the Maryland Prescription Drug Affordability Board (PDAB). While we recognize the importance of addressing the affordability of prescription drugs, we believe that the blanket use of state-level UPLs are not an effective or sustainable solution, but rather inadvertently create harmful disruptions to patient access to critical medications.

State-level UPLs overlooks the intricacies of the U.S. pharmaceutical supply chain, which operates on a national scale rather than being state-specific. Unfortunately, imposing a UPL on specific drug products can place in-state providers and healthcare entities in a precarious position, limiting both the purchase and notably the reimbursement price of these products to pharmacies and pharmacy providers without consideration for the critical access challenges that Marylanders may experience in consequence of the costs associated with purchasing, storage, compounding, monitoring, dispensing and administering these vital medications.

Policies like those proposed in HB 424, imposing stringent controls on drug pricing, have also proven to inadvertently diminish patient access to the pharmaceuticals they depend on for chronic and acute disease management. Consequently, patients in Maryland may face restricted access to cutting- edge treatments and medications. Furthermore, the establishment of a UPL by a PDAB, which often has little to no legislative oversight, at a price unsustainable to the pharmaceutical supply chain and care continuum could result in the unfortunate forced withdrawal of these products from the market and subsequent neighborhood pharmacies, leaving Marylanders without access to highly effective medications.

Given the concerns that state-level UPLS create, the undersigned organizations believe it is imperative for the Maryland patients who depend on timely access to critical medications that the Board's current work be completed, fully realized, and thoroughly evaluated before any legislation to expand the UPL authority or funding is passed. We ask that you do not advance HB 424 at this time.

Sincerely,

EPIC Pharmacies, Inc (EPIC)

Healthcare Distribution Alliance (HDA)

National Association of Chain Drug Stores (NACDS)

National Community Pharmacists Association (NCPA)