



MARYLAND
Prescription Drug Affordability Board

16900 Science Drive
Suite 112-114
Bowie, MD 20715
pdab.maryland.gov

February 6, 2025

The Honorable Joseline A. Peña-Melnyk
Chair, Health and Government Operations Committee
241 Taylor House Office Building
Annapolis, MD 21401-1991

RE: Letter of Information – HB0424 - Prescription Drug Affordability Board - Authority for Upper Payment Limits (Lowering Prescription Drug Costs for All Marylanders Now Act)

Dear Chair Peña-Melnyk and Members of the House Health and Government Operations Committee,

Thank you to the Committee for the support of the Prescription Drug Affordability Board. The Board looks forward to conducting important work to make prescription drugs more affordable in 2025.

The Maryland Prescription Drug Affordability Board (Board) submits this letter of information on House Bill 424 - Prescription Drug Affordability Board - Authority for Upper Payment Limits (Lowering Prescription Drug Costs for All Marylanders Now Act) as it directly impacts the Board.

This bill expands the authority of the Prescription Drug Affordability Board to set upper payment limits. The statute would direct the Board to develop a process to implement upper payment limits (“UPLs”) “for all purchases and payor reimbursements of prescription drug products” in Maryland, subject to the following: (1) the Board’s determination that setting UPLs for all purchases and payor reimbursements is in the best interest of the State; and (2) the Board’s consideration of certain factors, including savings to State and local governments resulting from implementation of UPLs under the Board’s current authority.

Implementation of this statute will build on the Board’s current work, but may require additional resources to: (1) revise the Board’s existing regulations to account for the new requirements in this bill; and (2) establish and implement a process for setting UPLs “for all purchases and payor reimbursements” that may require more administration and oversight than the current process.

For questions, please contact Andrew York at (410) 804-0251 or andrew.york@maryland.gov. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew York".

Andrew York
Executive Director
Maryland Prescription Drug Affordability Board