



TO: The Honorable Delores Kelley, Chair
CC: Members, Senate Finance Committee
FROM: Aliyah N. Horton, CAE, Executive Director, 240-688-7808
DATE: March 4, 2020
RE: SUPPORT WITH AMENDMENT– SB 915 – Pharmacy Services Administration Organizations - Regulation

MPhA remains consistent in our belief that the pharmaceutical pipeline should be transparent. As such we support the effort to provide a registration mechanism for PSAOs in order to provide a level of transparency to the Maryland Insurance Administration. However, this bill needs more work.

For the following reasons we urge the committee to move the legislation to a study group:

- Over the last several years the committee has and continues to work on the drug pricing issues with a focus on Pharma. We've worked with the General Assembly for years on PBM issues, through legislation, briefings and workgroups so that we could get to a point of understanding the system and processes to create impactful legislation.
- While some issues regarding PSAOs were raised toward the latter part of the MIA workgroup this summer, the stakeholders have not spent any significant time working through PSAO-related issues.
- SB 915 is model legislation being pushed by PBMs in several states, as you can imagine we are hesitant to accept it at face value. I've received feedback from my colleagues in other states that some of the language could wrap-in MPhA as a PSAO because of the services we provide to pharmacies.
- We need more time to provide solid feedback on how the bill will impact pharmacy practice and pharmacists. We have more questions, than answers. As such we are concerned about the bill moving forward.
- We are interested in having more input from the diverse groups of PSAOs represented in Maryland, so that this is a balanced conversation. There may be differences and complexities that have bearing on the bill language and it's worth having that discussion.
- Let's not be hasty in this effort. MPhA respectfully requests amending the bill to be a study group so that we can put in similar time on PSAO transparency as we have with other entities in the pipeline.