
**Testimony in Support with Amendment on House Bill 1150
State Employee and Retiree Health and Welfare Benefits Program –
Maryland Competitive Pharmacy Benefits Manager Marketplace Act**

**House Health and Government Operations Committee
February 27, 2020**

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The Maryland State Education Association supports House Bill 1150 which would permit the State, county boards of education, and others to select a pharmacy benefits manager by conducting a reverse auction. MSEA respectfully requests an amendment that protects the voice of employees by only allowing local county boards of education to participate in the reverse auction system if mutually agreed upon by the exclusive bargaining representative.

MSEA represents 75,000 educators and school employees who work in Maryland’s public schools, teaching and preparing our 896,837 students for careers and jobs of the future. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

MSEA is supportive of the goals of House Bill 1150, which would give some employers the opportunity to use this reverse auction system and potentially drive down costs while preserving benefits for employees. New Jersey has had great success and saw savings for the State and its employees. As prescription drug costs skyrocket, this is an innovate option for Maryland employers.

MSEA wants to ensure that impacted employees have a say on whether boards of education use the reverse auction system, so MSEA requests a small amendment that ensures this agreement:

AMENDMENT LANGUAGE:

On page 6, line18 after “plan”

“~~;~~ AND UPON MUTUAL AGREEMENT WITH THE EXCLUSIVE BARGAINING REPRESENTATIVE; AND”

The potential savings under this system are not insignificant. And when our schools face \$2.9 billion in unmet needs annually, MSEA supports revenue and cost-saving measures that are progressive and protect employees that can help address these unmet needs. If counties decide to use the reverse auction system and save money in prescription drug costs as projected, local dollars would be freed up to fund the Kirwan Commission’s recommendations or other local priorities.

MSEA urges a favorable report with amendment on House Bill 1150.