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THE SENATE OF MARYLAND
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**TESTIMONY OF SENATOR DELORES G. KELLEY
REGARDING SENATE BILL 159-HEALTH OCCUPATIONS-
AUTHORIZED PRESCRIBERS-FINANCIAL REPORTING
BEFORE THE HOUSE COMMITTEE ON HEALTH AND
GOVERNMENT OPERATIONS
ON MARCH 22, 2022**

Madam Chair and Members:

Senate Bill 159 requires specified categories of authorized prescribers of drugs and devices to give private, but timely notice to their respective health occupation boards whenever the authorized prescriber accepts a financial gratuity or incentive in exchange for the promotion of products or services.

This Bill includes a list of ten common forms of gratuities which manufacturers of drugs and medical devices commonly offer to promote their new products and/or devices. Senate Bill 159 takes no position on any particular offer or acceptance of a gratuity, but directs Maryland's various health occupation boards to develop regulations for systematic and private

reviews of gratuity notifications required to be submitted to the appropriate health occupation board in each instance.

The point of SB 159 is to empower Maryland's health occupation boards to develop regulations which ensure systematic, private review, as well as, appropriate responses to required notifications of gratuities already accepted by any of each board's roster of authorized prescribers.

The Bill sponsors and members of this important Senate Committee recognize that not all offers of gratuities are equal. The sponsors of SB 159 hope that highlighting the superfluous amounts which some (but not all) health care providers have accepted from either drug companies or from manufacturers, will be on record with the appropriate health occupation board, which can privately evaluate such notice so that where questionable, the occupation board can take appropriate action, as per its regulatory oversight.

While there is a national database requirement of relevance in the U.S (See Sec. 1128G. [42 U.S.C. 1320a-7h] (a) Transparency Reports), the resulting on-line

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document is too massive (hundreds of thousands of entries) to be useful at a state or local level, and this on-line report focuses solely on physicians and not on any other category of health care practitioners.

The public reporting required by SB 159 would be Maryland-specific and would be a private report submitted, only when applicable, to the occupational board for each category of health care providers.

Attached to my written testimony are four very enlightening news articles which illustrate the excessive and unnecessary costs which result when health care practitioners accept unwarranted gratuities from manufacturers of medical hardware and/or from drug manufacturers.

“Doctors Net Billions from Drug Firms,” Wall Street Journal, September 30, 2014;

“The AMA Code of Medical Ethics: Opinions on Physician’s Relationships with Drug Companies and Duty to Assist in Containing Drug Costs,” Virtual Mentor: American Medical Associations Journal of Ethics, April 2014;

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“Local Hospital, Doctor Named in Lawsuit over Fake Surgical Hardware,”

The Baltimore Sun, July 16, 2015; and

“Dollars for Doctors,” ProPublica, October 17, 2019.

In light of all of these considerations, I humbly ask for your expeditious support of SB 159 along with my request to strike the EHE amendment which removes physicians from the list of prescribers because the physicians are the worst offenders who receive the most gratuities which drive up prescription costs for us all. I am also requesting that no other prescriber be removed.