

BONNIE CULLISON
Legislative District 19
Montgomery County

Health and Government
Operations Committee

Chair, Insurance and Pharmaceuticals
Subcommittee



The Maryland House of Delegates
6 Bladen Street, Room 312
Annapolis, Maryland 21401
410-841-3883 · 301-858-3883
800-492-7122 Ext. 3883
Fax: 410-841-3882 · 301-858-3882
Bonnie.Cullison@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB 279
Prescription Drug Affordability Board - Upper Payment Limits**

Good afternoon, Chairman Peña-Melnyk, Vice Chair Kelly, and honorable members of the committee. Thank you for this opportunity to present HB 279, **Prescription Drug Affordability Board - Upper Payment Limits**. The purpose of this bill is to simply reestablish the Board and enable it to continue its work.

In 2019 this state was a trailblazer when we passed HB768/SB759, which established the Board and identified its roles, including determining a process to evaluate pharmaceutical costs to the state and shine a light on the overly complex drug pricing chain, to look where costs might be inflated. It is important to know that these bills passed in their final form 96—37 and 38—8 in the two chambers, respectively.

That level of support is indicative of the legislature belief that an entity that was focused solely on the pricing chain was essential in policy decisions that affect only the costs of prescription drugs, but also the overall costs of insurance premiums in our state.

While the Board was established in 2019, it was not able to begin to work on all the elements required by the law until the fall of 2022, when the statutorily required stakeholder advisory committee was appointed. From the beginning there were issues of funding and staffing and the pandemic added more distractions and barriers to forward progress.

We had ambitious goals in 2019 and we set December 2022 as the sunset guideline to assess the value of the Board. Doing such an assessment given the delays that were completely out of control of the Board is not reasonable or fair—to the Board, to the legislature or to the Marylanders who would ultimately be the beneficiaries of the work—in the form of lower drug costs.

The sunset date has passed and that requires that we re-establish it and its charges. That is why you see the bill in this form, as opposed to simply changing a date. This bill in no way changes the original charges to the Board; it simply gives us three more years to develop the processes necessary to determine if recommendations of upper payment limits to the General Assembly are warranted.

The reason this is an emergency bill is to assure that the Board's work is not curtailed by the previous sunset. They can restart their work upon the signature of the governor on this bill. Your support is essential to the continuing this Board, which has become a model for other states.

Thank you for your favorable consideration.