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Health and Government Operations
Committee

Chair, St. Mary's County Delegation

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

March 2, 2023

Delegate Josselyn Pena- Melnyk
Chair
House Health and Government Operations Committee
HB 539- Primary Benefits Managers- Prohibited Actions

FAVORABLE

Dear Chair Pena- Melnyk and Members of the Committee:

Thank you for the opportunity to present **HB 539- Primary Benefits Managers- Prohibited Actions**

This bill attempts to further provide aid and relief to many independent pharmacies who experience adverse effects of the practices of the large Pharmacy Benefits Managers.

The main thing HB 539 does is prohibit the practice of "spread pricing".

Spread pricing as we are aware, is a model of prescription drug pricing in which the amount paid to the pharmacy benefits manager by the purchaser is different from what they pay to the pharmacist or pharmacy for dispensing the drug. This difference between buyer and seller payments constitutes spread pricing.

Additionally, the bill mandates The Pharmacy Benefits Manager must review applications from pharmacies and pharmacists within 30 days and must not set different fees for a beneficiary's copy based on the pharmacy or pharmacist's affiliation with an independent or chain. They are also not allowed to charge differently based on whether the pharmacy or pharmacist is affiliated with an independent or chain.

Please give HB 539 a FAVORABLE report.

Thank you,

A handwritten signature in blue ink that reads "Matt Morgan".

Delegate