

NO SB306 FACT SHEET

SB306 will negatively affect injured workers by preventing access to care, increase overall healthcare costs, and enrich Pharmacy Benefit Managers. SB306 is radical - no state in the country uses acquisition costs in WC Fee Guides. Impossibly low reimbursements will be mandated by Statute, removing the flexibility and power of the Workers Compensation Commission to make changes as needed. Maryland has reduced work comp rates by 37% and CEIC has returned \$105M to shareholders in two years. This bill should include a fair and reasonable reimbursement for pharmacies, eliminate predatory practices of PBMs and protect injured workers, rather than furthering the interests of insurance companies.

LACK OF ACCESS TO CARE/PATIENT CHOICE		INCREASE COSTS TO WORKERS COMP SYSTEM		GIVES PBMS ANTI-COMPETITIVE TRADE PRACTICES, MORE POWER	
253,201	Marylanders Affected	\$23M	In Delayed Care Related Expenses, Indirect Costs	\$7.3B	FTC Claims PBMs Pocketed This Amount in Drug Costs
29,308	Marylanders Are at a HIGH RISK of Denials, Delays in Prescription Treatment	50%	Increase Rx Costs Due to PBM Practices	\$334B	Rebates and Legal "Kick-Backs" from the Middlemen to Insurance Carriers
329	Independent Pharmacies Won't be Able to Dispense for Comp	\$3.5M	Spend by PDAB with Zero Costs Savings to MD	39	States Attorneys General Pursuing PBM Litigation to Curb Abuses
ZERO	States Use the "Acquisition Index" for Workers Comp	18%	Increase in Prescription Costs Expected Due to PBM Control	2,275	Pharmacy Closures = Anti-Competitive Trade Practices
36	States Use AWP	986%	Mark-up on Cancer Drugs by PBMs - PBM Pricing Could Double as it has in the Past	3	Pharmacy Deserts = Baltimore, Hartford Co. & Howard Co.
#1	Represent the Highest Number of Injured Workers in MD, Who Are POLICE OFFICERS	7,736%	PBMs Marked-up Tadalafil, Primary Purpose is Pulmonary Hypertension Medication		

SAVE MARYLAND WORKERS, NOT INSURANCE COMPANIES

MD WORKERS COMP INSURANCE IS HEALTHY		CLOSURES		SOURCES
19.4%	Chesapeake Employers Insurance(CEIC) Market Share in MD (largest)	2,600	Rite Aid Closures Starting 2021	<ol style="list-style-type: none"> Maryland Workers Compensation Annual Report, 2021 <ol style="list-style-type: none"> Maryland Workers Compensation Annual Report, 2022 Maryland Workers Compensation Annual Report, 2023 Maryland Workers Compensation Annual Report, 2021 <ol style="list-style-type: none"> Maryland Workers Compensation Annual Report, 2022 Maryland Workers Compensation Annual Report, 2023 The Powerful Companies Driving Local Drugstores Out of Business, The New York Times, by , October 19, 2024 Pharmacy Resource Guide 2024, Optum Pharmacy Resource Guide 2024, Optum Maryland Workers Compensation Commission Annual Report 2023 Specialty Generic Drugs: A Growing Profit Center for Vertically Integrated Pharmacy Benefits Managers, Federal Trade Commission, Second Interim Staff Report, January 2025 Four Years Later, PDAB Hasn't Delivered For Patients, phrma.org, by Stami Kirk, Feb. 12, 2024 FTC Releases Second Interim Staff Report on Prescription Drug Middlemen, Federal Trade Commission, January 14, 2025 The Opaque Industry Secretly Inflating Prices for Prescription Drugs, The New York Times, by Rebecca Robbins and Reed Abelson, June 21, 2024 Pharmacy Benefits Managers Netted Extra \$7.3B by Inflating Drug Prices: FTC, BioSpace, by Dan Samorodnisky, Jan. 15, 2025 Specialty Generic Drugs: A Growing Profit Center for Vertically Integrated Pharmacy Benefits Managers, Federal Trade Commission, Second Interim Staff Report, January 2025 Specialty Generic Drugs: A Growing Profit Center for Vertically Integrated Pharmacy Benefits Managers, Federal Trade Commission, Second Interim Staff Report, January 2025 PBM Power: The Gross-To-Net Bubble Reached \$334 Billion in 2023, But will soon start deflating, Drug Channels, by Adam J. Fein, Ph.D, July, 16, 2024 State of Oklahoma, ex rel. Gentner Drummond, Attorney General of Oklahoma v. Caremark, LLC, CaremarkPCS Health LLC, Caremark PHC, LLC, filed Jan. 21, 2025. A Bipartisan Coalition of 39 States Attorney General Urge Congress to Pass Pharmacy Benefits Manager Reform, NAAG, Attorneys General, February 21, 2024.
10.8%	Harford Insurance Market Share in MD (2nd largest)	4,150	Walgreen's Closures Starting 2019	
\$105M	CEIC Excess Revenue 2023-2024	744	CVS Closures Announced in 2021	
37%	Decrease in Workers Compensation Rates, According to CEIC	30%	of Maryland Pharmacy Closures in Baltimore	
33rd	Lowest- MD's Workers Compensation Rates Ranking Against Other States	20%	of Maryland Pharmacy Closures in Montgomery County	
		2,275	Pharmacy Closures in 2024 Nationally	