



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

## OFFICE OF THE COUNTY EXECUTIVE

**BILL:** Senate Bill 306: Workers' Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements

**SPONSOR:** Senator Pamela Beidle

**COMMITTEE:** Economic Matters

**HEARING DATE:** March 26, 2025 at 1:00 PM

**CONTACT:** Intergovernmental Affairs Office, 301-780-8411

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**POSITION:** SUPPORT

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The Office of the Acting Prince George's County Executive urges **SUPPORT** of **Senate Bill 306: Workers' Compensation - Prescription Drug and Pharmaceutical Services – Reimbursements**, which seeks to encourage the affordability of prescription drugs by regulating fees and other charges for the reimbursements of prescription drugs and pharmaceutical services under the Workers' Compensation Commission, among other actions. As a self-insured employer, the administration believes this proposal could create opportunities for budget savings.

Under the County's currently model, Prince George's is one of many Maryland jurisdictions currently paying close to the average wholesale price for prescription drugs according to opaque pricing methods imposed by the industry. As a result, between 2023 and 2024, Prince George's County was billed \$11.9M in wholesale purchase costs, for which the acquisition cost was \$2.5M. Even after reasonable mark-ups this is significantly higher than the cost of the drugs and higher than what is experienced in other jurisdictions or even by the state. Due to the County's status as self-insured, our taxpayers are held responsible, therefore any potential cost savings are directly impactful to the County.

For the reasons stated above, the Office of the Acting Prince George's County Executive **SUPPORTS SB 306** and asks for a **FAVORABLE** report.