



Statement of Maryland Rural Health Association

To the Senate Finance Committee

Chairman Pamela Beidle

January 30, 2025

Senate Bill 0393 Health Insurance - Prescription Drug Formularies and Coverage for Generic Drugs and Biosimilars

POSITION: SUPPORT

Chair Beidle, Vice Chair Hayes, and members of the Committee, the Maryland Rural Health Association (MRHA) is in SUPPORT of Senate Bill 0393 - Health Insurance - Prescription Drug Formularies and Coverage for Generic Drugs and Biosimilars

MRHA supports this legislation requiring any carrier who provides health benefit plans subject to regulation by the state to post drug formularies and other drug pricing information on their website in an easily accessible manner.

According to research published in the Journal of American Medicine, per capita drug spending in the U.S. is greater than that of any other country and is largely related to brand name drug prices which have been steadily increasing in recent years. A key driver for these high prices is market exclusivity granted to manufacturers by the FDA. After this exclusivity period ends however, generic and biosimilar versions of name brand drugs can be produced and sold at much more reasonable prices. The availability of generic drugs is considered a primary means of reducing drug prices in the U.S.

Obligating greater transparency in prescription drug pricing formularies and eliminating obstacles to access to generic and biosimilar drugs will be of benefit to all Marylanders. Rural communities, which tend to carry a greater financial burden for prescription drug access, stand to be particularly benefited.

MRHA believes this legislation is important to support our rural communities and we urge you to support its passage.

On behalf of the Maryland Rural Health Association,

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