



LEGISLATIVE POSITION: UNFAVORABLE

OPPOSE House Bill 321 - Pharmacy Benefits Managers – Definition of Purchaser and Alteration of Application of Law

Written Testimony of Act Now Baltimore
Prepared for the Health and Government Operations Committee

January 20th, 2025

Dear Chairwoman Pena-Melnyk and Members of the Committee:

As a coalition of faith leaders in Baltimore, Act Now Baltimore strongly opposes House Bill 321 because of its detrimental effect on our member's ability to provide affordable and accessible healthcare to their employees.

Local institutions will face unprecedented and sweeping policy changes through the introduction of HB 321. If enacted, the policy changes from this bill will hamper our members' ability to provide healthcare to their employees by gutting key federal provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

ERISA-based plans are popular with local government institutions, nonprofits, and unions whose employees are critical to creating and maintaining a Maryland where all individuals and families have an opportunity to thrive. ERISA provides federal protections like uniform regulations and benefits for Maryland's essential police officers, school teachers, firefighters, first responders, public administrators, and a whole host of other civil servants across the state. This uniform set of standards has allowed employers to provide affordable and accessible healthcare and prescription drugs to their employees.

HB 321 guts protections provided under ERISA and will ultimately increase co-pays, co-insurance, and prescription drug prices for employees who are employed by our members. Additionally, the policy changes introduced by this bill could increase healthcare costs that could run into the billions of dollars over the next decade.

The bottom line is if HB 321 passes, Maryland lawmakers will be responsible for increasing healthcare costs for our public workers and their families. The cost of providing employer-sponsored healthcare is at an all-time high, coupled with facing state budget cuts; now is not the time to consider the legislation.

Therefore, Act Now Baltimore urges an unfavorable report on HB 321.

-Act Now Baltimore Board
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