



## TESTIMONY TO THE SENATE FINANCE COMMITTEE

### SB 0202: Prescription Drug Affordability Board- Upper Payment Limits

#### POSITION: Support

BY: Nancy Soreng, President

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The League of Women Voters Maryland supports **Senate Bill 0202: Prescription Drug Affordability Board- Upper Payment Limits**, which would fully fund the Board, and enable it to set limits on how much state and local governments would have to pay for high-cost prescription medications.

The League believes that healthcare is a human right, and that every resident should have access to affordable, equitable, quality health care, including essential medications.

But the cost of prescription medications is high, and rising. Per JAMA:<sup>1</sup>

***“Prescription drug spending in the US exceeded half a trillion dollars in 2020. Spending is driven by high-cost brand-name drugs, for which manufacturers freely set prices after approval...From 2008 to 2021, launch prices for new drugs increased exponentially by 20% per year. In 2020-2021, 47% of new drugs were initially priced above \$150,000 per year...”***

Patients- especially those taking multiple medications to treat chronic conditions such as cardiovascular disease, diabetes, or arthritis may be unable to afford all their medications, even if they have insurance coverage that pays part of the costs. Patients may thus delay filling a prescription, cut pills in half, or skip doses altogether to stretch supply. **Healthcare providers see the dangerous consequences of their patients’ inability to afford essential medications.**

Here’s a typical example: A patient arrives in the ER with chest pain, and tests indicate he is having a heart attack. He is taken for an urgent cardiac catheterization, and stents are placed to open a clogged coronary artery. If things go well, he may be discharged home in a day or two, and given prescriptions for medications to prevent further heart damage.

During the patient’s health crisis, a team of healthcare workers was available to care for him, including the ambulance EMTs, ER staff, radiologists, techs, the interventional cardiologist and other physicians, nurses, exercise physiologists, the nutrition staff, pharmacists, and therapists. And depending on the number of stents placed, the hospital bill might be tens of thousands of dollars.

But that patient might return to the ER with chest pain weeks later, with repeat cardiac catheterization showing a clogged stent, and now, a much-weakened heart. **Sometimes the cause of that poor outcome was the patient’s inability to afford his medication.**

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<sup>1</sup> <https://jamanetwork.com/journals/jama/fullarticle/2792986>

Senator Klobuchar and Representative Porter wrote to the Federal Trade Commission<sup>2</sup> about the high cost of two newer anti-coagulant medications taken by millions of Americans:

*“The prices for these two products have risen every year since they entered the market at a rate far outpacing inflation...**In 2020, Eliquis was the most costly drug and Xarelto the third most costly drug for all of Medicare, with gross spending of \$9.9B and \$4.7B respectively...**Eliquis and Xarelto were both introduced about a decade ago, priced at just over \$200 for a month’s supply. After more than a decade of price increases...**a month’s supply is priced at \$529 for Eliquis and \$516 for Xarelto...**”*

With passage of **SB 202**, a fully-funded Prescription Drug Affordability Board will work to set upper payment limits for prescription medications that have led to affordability challenges. This is important for the fiscal health of the state, and is also a matter of equity, as low-income Marylanders and people of color are the hardest hit by continually rising drug prices.

The League of Women Voters Maryland and its 1,500+ members urge the committee to give a favorable report for SB 202.

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<sup>2</sup>

[https://www.klobuchar.senate.gov/public/\\_cache/files/7/9/7919c1e8-bf88-4821-89e8-0e834e1aed38/54B5FFB567D27EC3DB68A396E38A41FB.20220613--final-klobuchar-porter-ltr-to-ftc-doj-on-eliquis-xarelto-blood-thinner-rx-drugs.pdf](https://www.klobuchar.senate.gov/public/_cache/files/7/9/7919c1e8-bf88-4821-89e8-0e834e1aed38/54B5FFB567D27EC3DB68A396E38A41FB.20220613--final-klobuchar-porter-ltr-to-ftc-doj-on-eliquis-xarelto-blood-thinner-rx-drugs.pdf)