

TESTIMONY OF

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Before the Joint Standing Committee on Health Coverage, Insurance & Financial Services

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**L.D. 1395**

**“An Act to Increase Transparency Regarding Certain Drug Pricing Programs”**

Senator Bailey, Representative Perry, and members of the Joint Standing Committee on Health Coverage, Insurance & Financial Services. My name is Karynlee Harrington; I am the Executive Director of the Maine Health Data Organization (MHDO) and the Maine Quality Forum (MQF). I am here today to present testimony neither for nor against L.D. 1395, *An Act to Increase Transparency Regarding Certain Drug Pricing Programs*.

The purpose of the MHDO as defined in Title 22, Chapter 1683, is to create and maintain a useful, objective, reliable, and comprehensive health information database that is accessed by a broad group of authorized users to improve the health care quality and costs for Maine people; **and** to promote the transparency of the cost and quality of health care services including the costs of prescription drugs in the State through a publicly accessible website. The Maine Health Data Organization is governed by a board of directors which includes representatives Payors, Hospitals, Providers, Home Health Care, Consumers, Employers, and Government.

For over fifteen years, the MHDO has been collecting healthcare data files from several entities including Maine’s hospitals and payors; and more recently pharmaceutical drug manufactures,

wholesale distributors, pharmacy benefit managers, and nursing facilities. MHDO maintains in its secure data warehouse over 1 billion health care records, and that number grows every month new data is submitted.

MHDO's data continues to be the source of healthcare data for the analysis of health care costs, utilization, and outcomes. Specifically, MHDO's data supports legislation including transparency reporting requirements specific to health care costs and quality, including the transparency of prescription drug pricing and utilization, surprise billing, workers comp, MaineCare rate setting, analyses specific to the opioid crisis, insulin costs, primary care and behavioral health care spending in Maine, ambulance costs, right to shop, Maine's reinsurance program, and the office of affordable healthcare.

Due to the prescription drug transparency laws that have been enacted over the last several years, the MHDO is responsible for defining, collecting, and reporting annually on detailed level prescription drug data sets as defined in 90 590 Ch. 570, *Uniform Reporting System for Prescription Drug Price Data Sets*.

Given the infrastructure that exists within MHDO for the reporting of hospital data, MHDO's experience with the collection and use of pharmacy data and our mandate to promote the transparency of prescription drug costs, MHDO is well positioned to take on additional data collection and reporting as envisioned in L.D. 1395. We do however have some technical questions with the requirements in L.D. 1395 and would welcome the opportunity to meet with the sponsor and stakeholders prior to the work session to discuss potential refinements to the bill.

In closing, one of MHDO's guiding principles in the collection and use of data, is to balance the administrative burden on those entities required to submit data to the MHDO, with meeting the purpose of the MHDO.

This concludes my testimony. I would be happy to answer questions now or at the work session.