

February 14, 2022

Senator Heather Sanborn, Co-Chair
Representative Denise Tepler, Co-Chair
Committee on Health Coverage, Insurance and Financial Services
C/o Legislative Information Office
100 State House Station
Augusta, ME 04333

Dear Senator Sanborn, Representative Tepler, and Members of the Committee on Health Coverage, Insurance and Financial Services,

I am writing to share with you some feedback from the Healthcare Purchaser Alliance (HPA) of Maine regarding ***LD 1636, An Act To Reduce Prescription Drug Costs by Using International Pricing.***

The HPA is a purchaser-led organization whose mission is to advance healthcare value in Maine and support and incentivize the use of high-quality, affordable care. We have over 50 members, including some of the largest public and private employers and health trusts in Maine. Collectively, our members spend over \$1 billion annually purchasing health coverage for nearly a quarter of the commercially insured people in the state. Over 22 percent of that total is spent on prescription drugs.

The HPA supports efforts to bring more affordable pricing to all healthcare services, including prescription drugs. Our organization has worked extensively to lower prescription drug costs and improve affordability, including partnering with a transparent pass-through PBM that has significantly lowered costs for Maine employers and their employees. Yet Rx spend remains high and many prescription drugs are increasingly unaffordable. Allowing Maine employers—and their employees—to pay rates similar to those paid in Canada would help reduce the significant price increases that employers and consumers have had to pay over the last several years for prescription drugs, thereby increasing access and affordability. We understand that the committee may have to consider some potential legal questions with LD 1636 but hope that those concerns can be addressed in a way that allows this innovative solution to be made available to employers and consumers in Maine, who currently struggle to afford prescription drug costs.

I also serve on the Maine Prescription Drug Affordability Board, a multistakeholder group created by the Legislature to recommend strategies for improving prescription drug affordability. The Board will soon submit a report to the Legislature, and I hope that the Committee will take those recommendations into consideration as well, as it continues its work to improve the affordability of prescription drugs for the people of Maine.

Thank you for the opportunity to share our feedback on LD 1636, and for your consideration. Please let me know if you have any questions or if I can be of further assistance. I can be reached at phayes@purchaseralliance.org or 844-8106.

Best,

Peter Hayes
President and CEO