

December 31, 2024

The Honorable Karen Spilka President Massachusetts Senate Commonwealth of Massachusetts State House Boston, MA 02133 The Honorable Ronald Mariano Speaker Massachusetts House of Representatives Commonwealth of Massachusetts State House Boston, MA 02133

RE: SENATE BILL NO. 3012 - AN ACT RELATIVE TO PHARMACEUTICAL ACCESS, COSTS AND TRANSPARENCY

Dear President Spilka and Speaker Mariano:

AARP thanks you for favorably passing key provisions of SENATE BILL NO. 3012 -AN ACT RELATIVE TO PHARMACEUTICAL ACCESS, COSTS AND

TRANSPARENCY that will ensure our residents have access to affordable prescription drugs that keep them healthy and living with dignity.

We appreciate your ongoing efforts to advance policies to address practices in the prescription drug market that can contribute to high prices for consumers and taxpayers. If passed into law, this will increase transparency and accountability in the prescription drug supply chain, which will help inform other efforts to lower costs for consumers and taxpayers.

The aging population of Massachusetts will continue to grow along with its unique issues related to financial, health and long-term care needs. We know prescription drug coverage plays a vital role in the health and financial security of the older population. For older adults, prescription drugs are critical in managing their chronic conditions, curing diseases, keeping them healthy and improving their quality of life. Appropriate use of prescription drugs may prolong life, improve quality of life, and postpone or replace the need for intensive, often expensive medical treatments.

AARP supports key provisions of the bill:

- **TRANSPARENCY:** Requiring that PBMs share previously disclosed information (e.g., aggregated rebates and administrative fees) with the public.
- **COST-SHARING LIMITATIONS:** Limiting consumer out-of-pocket drug costs to the lesser of required cost sharing, the amount the insurer or PBM will reimburse the pharmacy for the drug, or the cash prices.

- **PHARMACY NETWORK ADEQUACY:** Requiring PBMs to maintain networks that provide adequate access to consumers, including mail-order options, and states to hold them accountable for such access.
- **PHARMACIST PRACTICES:** Allowing pharmacists to tell customers if their prescription drug would be cheaper if they bought it without using insurance. Banning so-called gag clauses that prevent pharmacists from providing that information to consumers should be codified into Massachusetts law.

If you have any questions or concerns, please do not hesitate to contact Jessica Costantino, Director of Advocacy, at 617.852.4649 or <u>jcostantino@aarp.org</u>.

Very truly yours,

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