

September 29, 2025

Written Testimony of the Washington County (MD) Chamber of Commerce
Prepared for the Pharmacy Benefits Managers Workgroup

Dear Pharmacy Benefits Managers Workgroup:

On behalf of the Washington County (MD) Chamber of Commerce, which represents over 675 members organizations with over 40,000 employees, we appreciate the opportunity to submit written comments following the first meeting of Maryland's Pharmacy Benefits Manager (PBM) Workgroup.

As this process moves forward, we strongly urge the Workgroup to keep the needs of Maryland's employers, public institutions, and plan sponsors at the forefront, with a particular focus on those that offer self-funded health plans to their employees and beneficiaries.

Our members depend on self-funded plans to provide affordable and accessible healthcare. These plans are structured under the Employee Retirement Income Security Act of 1974 (ERISA), which has served as the foundation for employer-sponsored healthcare in Maryland and across the country for over five decades.

We are particularly attentive to the Workgroup's charge to "review ERISA exemptions for pharmacy benefits management regulation," as outlined in HB813. Any discussion of ERISA-related matters must account for the significant value that flexibility and uniformity bring to employer-sponsored plans. Maryland's diverse employers rely on consistent federal standards to manage benefits across jurisdictions and to design coverage that balances cost and care for their employees. Given the recent increase in health insurance premiums, this is especially not the time to do anything.

As the Workgroup reviews the structure of pharmacy benefit management, we encourage continued inclusion of employer and plan sponsor voices. Given the central role employers play in administering coverage, this perspective must be actively considered throughout the Workgroup's work.

Additionally, as was made clear during the ERISA meeting on September 17th, issues surrounding the ERISA preemption are unsettled law and will take some time to be resolved as the litigation proceeds through the court. Therefore, now is not the time for this workgroup to make decisions while this issue is ongoing.

We support data-driven review and welcome appropriate guardrails to ensure transparency, accountability, and fair competition. But reforms that restrict formulary management, weaken rebate negotiation authority, or duplicate existing ERISA protections risk doing more harm than good, particularly for employers trying to provide coverage in a challenging economic environment.

Thank you again for the opportunity to comment. We look forward to continued participation and thoughtful dialogue as the Workgroup completes its 2025 agenda and begins drafting its interim report.

Sincerely, 
Paul Frey, President and CEO