

June 6, 2023

Senator Cindy F. Friedman, Chair
Joint Committee on Health Care Financing
State House, Room 313
Boston, MA 02133

Representative John Lawn, Jr., Chair
Joint Committee on Health Care Financing
State House, Room 236
Boston, MA 02133

Dear Chairs,

On behalf of the Greater Boston Chamber of Commerce and our 1,300 members, I write to offer testimony regarding bills related to pharmaceutical industry transparency and health care costs. One of the Chamber's guiding health care policy principles is that the state must strike a balance between supporting our cornerstone health care industry and ensuring that world-class care is accessible and affordable for residents, businesses, and the state budget.

The Chamber supports the goal to include pharmaceutical manufacturing companies and pharmacy benefit managers (PBMs) in health cost trends analyses and hearings. Including both in Health Policy Commission (HPC) public hearings and Center for Health Information and Analysis (CHIA) reporting will provide useful data and analysis to aid in health care cost reviews. Steps like permitting the HPC to study drugs can support qualitative and quantitative analysis about whether costs are justified. We also understand that conducting this additional analysis may require an assessment on pharmaceutical firms to cover related costs.

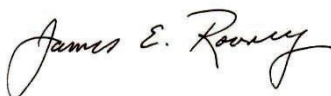
While the Chamber strongly supports expanding public hearings and data analysis, it is necessary to emphasize the exceptional cooperation that results in regular, voluntary appearances in which private entities (including hospitals and health plans) discuss their products, services, and operations in public settings. With that in mind, the Chamber urges the committee to avoid, at this stage, requiring companies to provide detailed information on their businesses, like marketing expenses, research and development expenses, and capital funding expenses. It is unclear how this additional information would reduce health care costs, whether for specific companies, sectors, or the industry as a whole.

For several years, there is general agreement on bringing pharmaceutical manufacturers and PBMs into hearings and treating them the same as health care entities. Rather than delaying involvement longer, the Chamber urges the Legislature to adopt provisions that add transparency through HPC and CHIA participation and require similar levels of reporting as hospitals and insurers.

As with any comprehensive legislation, the Legislature should consider the impacts each bill will have on our broader economy. This consideration is particularly relevant because health care plays an integral role in our regional and state economy. In Massachusetts, the health care industry directly accounts for 17 percent of jobs in the state and indirectly accounts for tens of thousands of additional jobs. The industry here includes world class providers, pharmaceutical breakthroughs, and among the largest share of insured residents in the country.

Thank you for your consideration and please do not hesitate to reach out with any questions.

Sincerely,



James E. Rooney
President and CEO

cc: Members of the Joint Committee on Health Care Financing