
By: **Delegates Elliott, Sophocleus, and Bozman**
Introduced and read first time: February 11, 2000
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Prescription Drugs - Prescription Cards and Other Proof**
3 **of Insurance**

4 FOR the purpose of requiring certain entities that provide coverage for prescription
5 drugs and devices under policies, contracts, or certificates issued or delivered in
6 the State to issue to insureds or enrollees a prescription card or certain other
7 proof of insurance that meets certain criteria; requiring new prescription cards
8 to be issued under certain circumstances; providing for the application of this
9 Act; and generally relating to coverage for prescription drugs and the issuance of
10 prescription cards or other proof of insurance.

11 BY adding to
12 Article - Insurance
13 Section 15-130
14 Annotated Code of Maryland
15 (1997 Volume and 1999 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Insurance**

19 15-130.

20 (A) (1) THIS SECTION APPLIES TO:

21 (I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT
22 PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER HEALTH
23 INSURANCE POLICIES, CONTRACTS, OR CERTIFICATES THAT ARE ISSUED OR
24 DELIVERED IN THE STATE;

25 (II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE
26 COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER POLICIES, CONTRACTS,
27 OR CERTIFICATES THAT ARE ISSUED OR DELIVERED IN THE STATE;

1 (III) MANAGED CARE ORGANIZATIONS AS DEFINED IN § 15-101 OF
2 THE HEALTH - GENERAL ARTICLE THAT PROVIDE COVERAGE FOR PRESCRIPTION
3 DRUGS AND DEVICES UNDER POLICIES, CONTRACTS, OR CERTIFICATES THAT ARE
4 ISSUED OR DELIVERED IN THE STATE; AND

5 (IV) TO THE EXTENT CONSISTENT WITH THE FEDERAL EMPLOYEE
6 RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA), THIS SECTION APPLIES TO AN
7 INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE
8 ORGANIZATION THAT ACTS AS A THIRD PARTY ADMINISTRATOR.

9 (2) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH
10 MAINTENANCE ORGANIZATION, OR MANAGED CARE ORGANIZATION THAT PROVIDES
11 COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES THROUGH A PHARMACY
12 BENEFIT MANAGER IS SUBJECT TO THE REQUIREMENTS OF THIS SECTION.

13 (B) EACH ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE TO EACH OF ITS
14 INSURED OR ENROLLEES A PRESCRIPTION CARD OR PROOF OF INSURANCE USING
15 OTHER TECHNOLOGY CONTAINING UNIFORM PRESCRIPTION DRUG INFORMATION.

16 (C) THE UNIFORM PRESCRIPTION DRUG INFORMATION CARD, OR PROOF OF
17 INSURANCE USING OTHER TECHNOLOGY, SHALL BE IN THE FORMAT APPROVED BY
18 THE NATIONAL COUNCIL FOR PRESCRIPTION DRUG PROGRAMS AND SHALL INCLUDE
19 ALL OF THE REQUIRED AND CONDITIONAL OR SITUATIONAL FIELDS AND CONFORM
20 TO THE MOST RECENT PHARMACY IDENTIFICATION CARD OR TECHNOLOGY
21 IMPLEMENTATION GUIDE PRODUCED BY THE NATIONAL COUNCIL FOR
22 PRESCRIPTION DRUG PROGRAMS OR CONFORM TO A NATIONAL FORMAT
23 ACCEPTABLE TO THE INSURANCE COMMISSIONER.

24 (D) A NEW PRESCRIPTION DRUG CARD, OR PROOF OF INSURANCE USING
25 OTHER TECHNOLOGY, SHALL BE ISSUED IN ACCORDANCE WITH SUBSECTION (B) OF
26 THIS SECTION UPON ENROLLMENT AND REISSUED UPON ANY CHANGE IN THE
27 INSURED'S OR ENROLLEE'S COVERAGE THAT IMPACTS ON THE DATA CONTAINED ON
28 THE CARD.

29 (E) THE COMMISSIONER IN CONSULTATION WITH THE BOARD OF PHARMACY
30 MAY ADOPT REGULATIONS NECESSARY TO CARRY OUT THIS SECTION.

31 (F) THIS ACT SHALL APPLY TO ALL POLICIES OR HEALTH BENEFIT PLANS
32 ISSUED, DELIVERED, OR RENEWED ON OR AFTER JANUARY 1, 2001.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 2000.