Department of Legislative Services

Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 617 (Senator Klausmeier)

Finance and Education, Health, and Environmental Affairs — Health and Government Operations

Drug Therapy Management - Physician-Pharmacist Agreements

This bill removes provisions in the Health-General Article that require the State Board of Pharmacy and the State Board of Physicians to jointly approve physician-pharmacist agreements and protocols used under the Drug Therapy Management Program and, instead, requires physicians and pharmacists in a group model health maintenance organization (HMO) who enter into such agreements to submit a copy of the agreement and any subsequent modifications to their respective licensing board.

This bill takes effect July 1, 2013.

Fiscal Summary

State Effect: The bill does not materially affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Chapter 249 of 2002 (HB 781) established the Drug Therapy Management program, which authorizes a physician and a pharmacist to enter into a therapy management contract that specifies treatment protocols that may be used to provide care to a patient. A pharmacist may order laboratory tests and other patient care measures related to monitoring or improving the outcomes of drug or device therapy based on disease-specific, mutually agreed-upon protocols. Prior to July 1, 2012, before collaborating on drug therapy management, a pharmacist and a physician were required

to apply to the State Board of Physicians and the State Board of Pharmacy for approval of a physician-pharmacist agreement and each individual protocol to be used. Agreements and protocols were reviewed and approved by a joint committee consisting of two members of each board with final approval given by both full boards.

Chapters 314 and 315 of 2009 (SB 791/HB 725) established similar standards for drug therapy management in a group model HMO. In a group model HMO setting, drug therapy management must be provided only in accordance with a physician-pharmacist agreement and through the internal pharmacy operations of the group model HMO and a licensed physician or pharmacist or both must obtain documented informed consent from a patient.

In the 2011 sunset evaluation of the State Board of Pharmacy, the Department of Legislative Services (DLS) found that participation in the program was low and that nationally only 8 of the 45 states that authorize drug therapy management require agreements (or protocols) to be approved. Thus, DLS recommended that the approval requirements be repealed.

Chapter 658 of 2012 (HB 283) removed the requirement in the Health Occupations Article regarding approval of physician-pharmacist agreements and protocols and, instead, required physicians and pharmacists who enter into such agreements to submit a copy of the agreement and any subsequent modifications to their respective licensing board. Chapter 658 took effect July 1, 2012.

This bill removes parallel language from the Health-General Article that applies to group model HMOs. Without this bill, physicians and pharmacists participating in drug therapy management in a group model HMO setting will continue to be required to seek approval for physician-pharmacist agreements and protocols, even though the parallel approval requirements in the Health Occupations Article were repealed under Chapter 658.

Additional Information

Prior Introductions: None.

Cross File: HB 716 (Delegate Tarrant, *et al.*) - Health and Government Operations.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2013
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