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 $\begin{array}{c} 5\mathrm{lr}3037 \\ \mathrm{CF}\ \mathrm{HB}\ 1140 \end{array}$

By: Senator Pugh

Introduced and read first time: February 27, 2015

Assigned to: Rules

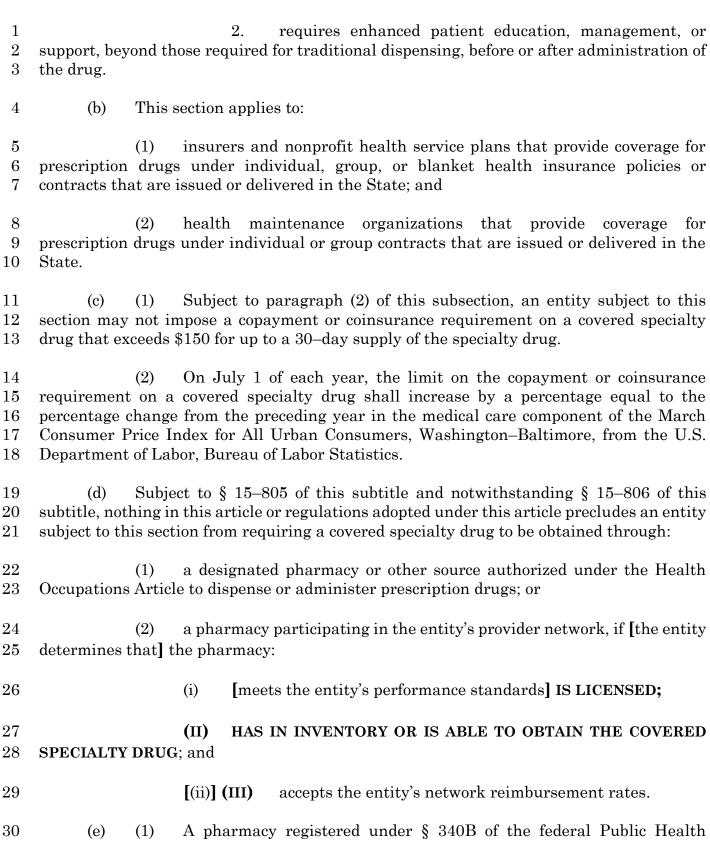
A BILL ENTITLED

1 AN ACT concerning 2 Health Insurance - Specialty Drugs - Participating Pharmacies 3 FOR the purpose of altering the conditions under which certain insurers, nonprofit health service plans, or health maintenance organizations may require a covered specialty 4 5 drug to be obtained through a pharmacy participating in the provider network of the 6 insurer, nonprofit health service plan, or health maintenance organization; altering the definition of "specialty drug"; providing for the application of this Act; providing 7 8 for a delayed effective date; and generally relating to specialty drugs. 9 BY repealing and reenacting, with amendments, 10 Article – Insurance 11 Section 15-847 12 Annotated Code of Maryland (2011 Replacement Volume and 2014 Supplement) 13 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 15 That the Laws of Maryland read as follows: Article - Insurance 16 17 15-847. 18 (a) In this section the following words have the meanings indicated. (1) 19 (i) "Complex or chronic medical condition" means a physical, behavioral, or developmental condition that: 20 211. may have no known cure; 22 2.is progressive; or

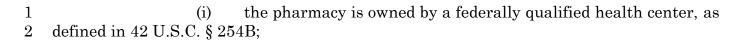


SENATE BILL 871

$\frac{1}{2}$	undertreated.		3.	can	be	debi	ilitat	ing	or	fatal	if	left	untrea	ıted	or
3	(ii) "Complex or chronic medical condition" includes:														
4	1. multiple sclerosis;														
5			2.	hepa	atitis	C; aı	nd								
6			3.	rheu	ımato	oid ar	rthrit	tis.							
7 8 9 10	(3) "Managed care system" means a system of cost containment methods that an insurer, a nonprofit health service plan, or a health maintenance organization uses to review and preauthorize drugs prescribed by a health care provider for a covered individual to control utilization, quality, and claims.														
11 12	(4) (i) "Rare medical condition" means a disease or condition that affects fewer than:														hat
13			1.	200,	000 i	ndivi	idual	s in	the 1	United	d Sta	.tes; o	r		
14			2.	appr	oxim	ately	y 1 in	1,50	00 ir	dividu	ıals	world	wide.		
15		(ii)	"Rare	medi	ical c	ondit	tion"	incl	ıdes	:					
16			1.	cysti	ic fibi	rosis	;								
17			2.	hem	ophil	lia; a	nd								
18			3.	mult	tiple	myel	oma.								
19	(5) "Specialty drug" means a prescription drug that:														
20 21	(i) is prescribed for an individual with a complex or chronic medical condition or a rare medical condition;														ical
22		(ii)	costs	\$600	or m	ore fo	or up	to a	30-	day sı	apply	/ ;			
23		[(iii)	is not	typic	ally	stock	ed at	reta	ail p	harma	acies	;] and	l		
24 25	PRESCRIPTION DI	[(iv)] RUG:	(III)	AS 1	DOCU	UME	NTEI) BY	ТН	Е МА	NUF	ACTI	URER (OF T	'HE
26 27	patient in the prepa	aratio	1. n, hand										deliver; he drug		the



Services Act may apply to an entity subject to this section to be a designated pharmacy under subsection (d)(1) of this section for the purpose of enabling the pharmacy's patients with HIV, AIDS, or hepatitis C to receive the copayment or coinsurance maximum provided for in subsection (c) of this section if:



- 3 (ii) the federally qualified health center provides integrated and 4 coordinated medical and pharmaceutical services to HIV positive, AIDS, and hepatitis C 5 patients; and
- 6 (iii) the prescription drugs are covered specialty drugs for the 7 treatment of HIV, AIDS, or hepatitis C.
- 8 (2) An entity subject to this section may not unreasonably withhold 9 approval of a pharmacy's application under paragraph (1) of this subsection.
- 10 (f) An entity subject to this section may provide coverage for specialty drugs 11 through a managed care system.
- 12 (g) (1) A determination by an entity subject to this section that a prescription drug is not a specialty drug is considered a coverage decision under § 15–10D–01 of this title.
- 15 (2) For complaints filed with the Commissioner under this subsection, if 16 the entity made its determination that a prescription drug is not a specialty drug on the 17 basis that the prescription drug did not meet the criteria listed in subsection (a)(5)(i) of this 18 section:
- 19 (i) the Commissioner may seek advice from an independent review 20 organization or medical expert on the list compiled under § 15–10A–05(b) of this title; and
- 21 (ii) the expenses for any advice provided by an independent review 22 organization or medical expert shall be paid for as provided under § 15–10A–05(h) of this 23 title.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2016.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2016.