Chapter 309

## (House Bill 1290)

AN ACT concerning

## <u>Medicaid</u> Managed Care Organizations – <del>Enrollees Access to Pharmacy Services</del> – Requirements Pharmacy Networks – Plan

FOR the purpose of requiring a managed care organization to develop and maintain a provider network that ensures that enrollees have access to sites where they receive pharmacy services within a certain geographical area of each enrollee's residence; authorizing the Department of Health and Mental Hygiene to approve a provider network that does not meet a certain geographic access requirement for pharmacy services under certain circumstances; and generally relating to geographic access to pharmacy services of enrollees of managed care organizations authorizing certain pharmacies to participate in the pharmacy network of a Medicaid managed care organization, under certain circumstances requiring the Department of Health and Mental Hygiene to establish a certain plan on or before a certain date; requiring the plan to address certain standards needed to ensure access to certain pharmacy services in certain areas; requiring the Department to submit the plan to certain committees of the General Assembly on or before a certain date; and generally relating to a plan to ensure access to pharmacy networks services of Medicaid managed care organizations.

BY repealing and reenacting, without amendments,

<del>Article - Health - General</del>

Section 15-103(a)(1) and (b)(1)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

## BY adding to

Article - Health - General

Section 15-103(b)(31)

**Annotated Code of Maryland** 

(2009 Replacement Volume and 2014 Supplement)

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

## Article - Health - General

<del>15-103.</del>

 $rac{ ext{(a)}}{ ext{Constant}}$   $rac{ ext{(1)}}{ ext{Constant}}$  The Secretary shall administer the Maryland Medical Assistance Program.

- (b) (1) As permitted by federal law or waiver, the Secretary may establish a program under which Program recipients are required to enroll in managed care organizations.
- (31) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, EACH MANAGED CARE ORGANIZATION SHALL DEVELOP AND MAINTAIN A PROVIDER NETWORK THAT ENSURES THAT ENROLLEES HAVE ACCESS TO THE SITES WHERE THEY RECEIVE PHARMACY SERVICES AS FOLLOWS:
- 1. IN URBAN AREAS, WITHIN 5 MILES OF EACH ENROLLEE'S RESIDENCE;
- 2. In rural areas, within 15 miles of each enrollee's residence; and
- 3. IN SUBURBAN AREAS, WITHIN 10 MILES OF EACH ENROLLER'S RESIDENCE.
- (II) FOR A MANAGED CARE ORGANIZATION THAT IS UNABLE TO MEET THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, IF THE MANAGED CARE ORGANIZATION IS ABLE TO DEMONSTRATE TO THE DEPARTMENT'S SATISFACTION THE ADEQUACY OF ITS PROVIDER NETWORK TO PROVIDE ENROLLESS ACCESS TO THE SITES WHERE THEY RECEIVE PHARMACY SERVICES, THE DEPARTMENT MAY APPROVE THE NETWORK IF:
- 1. SPECIAL CIRCUMSTANCES EXIST THAT DEMONSTRATE THE STRENGTH OF THE MANAGED CARE ORGANIZATION'S PROVIDER NETWORK: AND
- 2. APPROVAL OF THE NETWORK BY THE DEPARTMENT WILL ENHANCE THE OVERALL ACCESS OF ENROLLEES TO QUALITY PHARMACY SERVICES IN THE AREA TO BE SERVED.
- (31) ANY PHARMACY IN THE STATE MAY PARTICIPATE IN THE PHARMACY NETWORK OF A MANAGED CARE ORGANIZATION IF THE PHARMACY:
- (1) HOLDS A PERMIT UNDER TITLE 12 OF THE HEALTH OCCUPATIONS ARTICLE; AND
- (II) AGREES TO ACCEPT THE TERMS AND REIMBURSEMENT ESTABLISHED BY THE MANAGED CARE ORGANIZATION.
- (a) On or before September 1, 2015, the Department of Health and Mental Hygiene shall establish a plan to ensure that Maryland Medical Assistance Program recipients

enrolled in managed care organizations have reasonable access to pharmacy services in the event a managed care organization makes a change to its pharmacy network that:

- (1) reduces the number of providers in the network of the managed care organization; or
- (2) alters the location of services provided in the network of the managed care organization.
- (b) The plan established under subsection (a) of this section shall address any geographic standards needed to ensure access to pharmacy services in urban, rural, and suburban areas in the State.
- (c) On or before December 1, 2015, the Department shall submit the plan established under subsections (a) and (b) of this section, in accordance with § 2–1246 of the State Government Article, to the Senate Budget and Taxation Committee, the Senate Finance Committee, the House Appropriations Committee, and the House Health and Government Operations Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2015.

Approved by the Governor, May 12, 2015.