

SENATE BILL 898

C3

7lr3337
CF HB 1147

By: Senators Astle, Jennings, Klausmeier, ~~and Mathias~~ Mathias, Benson, Feldman, Hershey, Middleton, Oaks, Reilly, and Rosapepe

Introduced and read first time: February 3, 2017

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 2017

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Prescription Drugs – Dispensing Synchronization**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and health
4 maintenance organizations to allow and apply a certain prorated copayment or
5 coinsurance amount for a partial supply of a prescription drug dispensed by a certain
6 pharmacy under certain circumstances; prohibiting a certain insurer, nonprofit
7 health service plan, and health maintenance organization from denying payment of
8 benefits to a certain pharmacy for a covered prescription drug solely on a certain
9 basis and from using a certain payment structure; requiring a certain insurer,
10 nonprofit health service plan, and health maintenance organization to allow a
11 certain pharmacy to override certain codes and pay a certain pharmacy a certain
12 dispensing fee for a certain purpose; defining certain terms; providing for the
13 application of this Act; providing for a delayed effective date; and generally relating
14 to payment for a partial supply of a prescription drug under health insurance.

15 BY adding to

16 Article – Insurance

17 Section 15–850

18 Annotated Code of Maryland

19 (2011 Replacement Volume and 2016 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

21 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – Insurance

15-850.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “IN-NETWORK PHARMACY” MEANS A PHARMACY THAT IS AMONG THE PARTICIPATING PROVIDERS WITH WHICH AN ENTITY SUBJECT TO THIS SECTION CONTRACTS TO PROVIDE HEALTH CARE SERVICES TO MEMBERS.

(3) “MEMBER” MEANS AN INDIVIDUAL ENTITLED TO HEALTH CARE BENEFITS FOR PRESCRIPTION DRUGS OR DEVICES UNDER A POLICY ISSUED OR DELIVERED IN THE STATE BY AN ENTITY SUBJECT TO THIS SECTION.

(B) (1) THIS SECTION APPLIES TO:

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

(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

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

(C) AN ENTITY SUBJECT TO THIS SECTION SHALL ALLOW AND APPLY A PRORATED DAILY COPAYMENT OR COINSURANCE AMOUNT FOR A PARTIAL SUPPLY OF A PRESCRIPTION DRUG DISPENSED BY AN IN-NETWORK PHARMACY IF:

(1) THE PRESCRIBER OR THE PHARMACIST DETERMINES DISPENSING A PARTIAL SUPPLY OF A PRESCRIPTION DRUG TO BE IN THE BEST INTEREST OF THE MEMBER; ~~AND~~

(2) THE PRESCRIPTION DRUG IS ANTICIPATED TO BE REQUIRED FOR MORE THAN 3 MONTHS;

1 ~~(2)~~ **(3)** THE MEMBER REQUESTS OR AGREES TO A PARTIAL SUPPLY
2 FOR THE PURPOSE OF SYNCHRONIZING THE DISPENSING OF THE MEMBER'S
3 PRESCRIPTION DRUGS;

4 **(4)** THE PRESCRIPTION DRUG IS NOT A SCHEDULE II CONTROLLED
5 DANGEROUS SUBSTANCE; AND

6 **(5)** THE SUPPLY AND DISPENSING OF THE PRESCRIPTION DRUG
7 MEETS ALL PRIOR AUTHORIZATION AND UTILIZATION MANAGEMENT
8 REQUIREMENTS SPECIFIC TO THE PRESCRIPTION DRUG AT THE TIME OF THE
9 SYNCHRONIZED DISPENSING.

10 **(D)** SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN ENTITY SUBJECT TO
11 THIS SECTION:

12 **(1)** MAY NOT DENY PAYMENT OF BENEFITS TO AN IN-NETWORK
13 PHARMACY FOR A COVERED PRESCRIPTION DRUG SOLELY ON THE BASIS THAT ONLY
14 A PARTIAL SUPPLY OF THE PRESCRIPTION DRUG WAS DISPENSED; AND

15 **(2)** SHALL ALLOW AN IN-NETWORK PHARMACY TO OVERRIDE ANY
16 DENIAL CODES INDICATING THAT A PRESCRIPTION IS BEING REFILLED TOO SOON.

17 **(E)** ~~AN~~ SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN ENTITY SUBJECT
18 TO THIS SECTION:

19 **(1)** MAY NOT USE A PAYMENT STRUCTURE THAT INCORPORATES
20 PRORATED DISPENSING FEES FOR DISPENSING A PARTIAL SUPPLY OF A
21 PRESCRIPTION DRUG; AND

22 **(2)** SHALL PAY AN IN-NETWORK PHARMACY A FULL DISPENSING FEE
23 FOR DISPENSING A PARTIAL SUPPLY OF A PRESCRIPTION DRUG UNDER THIS
24 SECTION, REGARDLESS OF:

25 **(I)** ANY PRORATED COPAYMENT OR COINSURANCE AMOUNT
26 CHARGED TO A MEMBER; OR

27 **(II)** ANY FEE PAID TO THE PHARMACY FOR SYNCHRONIZING A
28 MEMBER'S PRESCRIPTIONS.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
30 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or
31 after ~~October 1, 2017~~ January 1, 2019.

32 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 ~~October 1, 2017~~ January 1, 2019.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.