C3, J2 8lr1460

By: **Delegates Hill, Lam, Morhaim, and West** Introduced and read first time: February 9, 2018 Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

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Pharmacy Benefits Managers - Requirements for Prior Authorization

3 FOR the purpose of prohibiting a pharmacy benefits manager from requiring prior 4 authorization for certain coverage of certain prescription drugs prescribed in certain 5 situations; authorizing a pharmacy benefits manager to require a prescriber to 6 certify certain information after a drug is dispensed by the prescriber; requiring that 7 a prior authorization form include a certain question; prohibiting a pharmacy 8 benefits manager from requesting a reauthorization for a certain prescription drug if a prescriber indicates on a certain form that the prescription is for a certain 9 condition; requiring a pharmacy benefits manager to retain a database of certain 10 11 information in a certain manner; requiring a pharmacy benefits manager to 12 establish a list of alternative prescription drugs for certain prescription drugs that 13 require prior authorization; requiring a pharmacy benefits manager or the pharmacy 14 benefits manager's agent to provide a prescriber with a certain list of certain drugs 15 during a certain communication requesting a prior authorization for a certain drug; 16 and generally relating to pharmacy benefits managers and prior authorization 17 requirements for prescription drugs.

18 BY adding to

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19 Article – Insurance

20 Section 15–1611

Annotated Code of Maryland

22 (2017 Replacement Volume)

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

24 That the Laws of Maryland read as follows:

25 Article – Insurance

26 **15–1611.**

- 1 (A) (1) A PHARMACY BENEFITS MANAGER MAY NOT REQUIRE PRIOR 2 AUTHORIZATION FOR COVERAGE OF:
- 3 (I) THE LENGTH OF AN INITIAL PRESCRIPTION FOR A 4 NONNARCOTIC OR NONBENZODIAZEPINE DRUG THAT IS PRESCRIBED IN AN 5 EMERGENCY SITUATION; OR
- 6 (II) NO MORE THAN 72 HOURS OF AN INITIAL PRESCRIPTION 7 FOR A NARCOTIC OR BENZODIAZEPINE DRUG PRESCRIBED IN AN EMERGENCY 8 SITUATION.
- 9 (2) AFTER A DRUG IS DISPENSED BY A PRESCRIBER, A PHARMACY 10 BENEFITS MANAGER MAY REQUIRE A PRESCRIBER TO CERTIFY THAT THE 11 PRESCRIPTION WAS PRESCRIBED IN AN EMERGENCY SITUATION.
- 12 **(B) (1) A** PRIOR AUTHORIZATION FORM FOR A PRESCRIPTION DRUG 13 SHALL INCLUDE A QUESTION REGARDING WHETHER THE PRESCRIPTION DRUG IS 14 FOR A CHRONIC OR LONG—TERM CONDITION FOR WHICH THE PRESCRIPTION DRUG 15 MAY BE NECESSARY FOR THE LIFE OF THE PATIENT.
- 16 (2) If a prescriber indicates on a prior authorization form
 17 THAT THE PRESCRIPTION DRUG IS FOR A CHRONIC OR LONG—TERM CONDITION FOR
 18 WHICH THE PRESCRIPTION DRUG MAY BE NECESSARY FOR THE LIFE OF THE
 19 PATIENT, THE PHARMACY BENEFITS MANAGER MAY NOT REQUEST A
 20 REAUTHORIZATION FOR THE SAME PRESCRIPTION DRUG.
- 21 (3) A PHARMACY BENEFITS MANAGER SHALL RETAIN A DATABASE OF
 22 INFORMATION RECEIVED FROM PRIOR AUTHORIZATION FORMS IN A MANNER THAT
 23 ALLOWS A PRESCRIBER TO UPDATE THE INFORMATION WITHOUT RESUBMITTING
 24 INFORMATION THAT HAS NOT CHANGED FOR FUTURE PRIOR AUTHORIZATIONS FOR
 25 THE SAME PATIENT AND CONDITION.
- 26 (C) (1) FOR EACH PRESCRIPTION DRUG THAT REQUIRES A PRIOR 27 AUTHORIZATION FROM A PHARMACY BENEFITS MANAGER, THE PHARMACY 28 BENEFITS MANAGER SHALL ESTABLISH A LIST OF ALTERNATIVE PRESCRIPTION 29 DRUGS THAT DO NOT REQUIRE PRIOR AUTHORIZATION.
- (2) IN THE SAME COMMUNICATION IN WHICH A PHARMACY BENEFITS
 MANAGER OR THE PHARMACY BENEFITS MANAGER'S AGENT REQUESTS A PRIOR
 AUTHORIZATION FOR A PRESCRIPTION DRUG FROM A PRESCRIBER, THE PHARMACY
 BENEFITS MANAGER OR THE PHARMACY BENEFITS MANAGER'S AGENT SHALL
 PROVIDE THE PRESCRIBER WITH A LIST OF ALTERNATIVE PRESCRIPTION DRUGS OF

- 1 THE SAME CLASS AND FAMILY AS THE REQUESTED DRUG THAT DO NOT REQUIRE
- 2 PRIOR AUTHORIZATION FOR THE SPECIFIC DRUG FOR WHICH THE PRIOR
- 3 AUTHORIZATION IS BEING REQUESTED.
- 4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 5 October 1, 2018.