

HB1150/816880/1

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 1150
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Cullison” and substitute “, Cullison, Kipke, Bagnall, Barron, Belcastro, Bhandari, Carr, Charles, Chisholm, Hill, Johnson, Kelly, Kerr, Krebs, R. Lewis, Morgan, Pena–Melnyk, Reilly, Rosenberg, Saab, Sample–Hughes, Szeliga, and K. Young”; in line 4, after “Management” insert “to use a reverse auction, as provided for in certain provisions of law established by this Act, to select a pharmacy benefits manager or other entity to administer the State Rx Program; requiring the Department of Budget and Management”; in line 9, after “Technology” insert “and the Department of General Services”; in line 14, after “vendor” insert “and with consideration of certain recommendations by the Maryland Prescription Drug Affordability Board”; in line 20, strike the first “a”; in the same line, strike “check” and substitute “checks”; in line 21, after “purpose;” insert “requiring certain market checks to include a certain evaluation of the effects of certain pricing metrics;”; and in line 30, after “circumstances;” insert “authorizing the Department of Budget and Management to delay implementation of certain provisions of law established by this Act if the Department of Budget and Management and the Department of General Services make a certain determination; authorizing the Board of Public Works to approve a certain request for an exemption from certain provisions of procurement law under certain circumstances;”.

On page 2, after line 7, insert:

“BY repealing and reenacting, with amendments,
Article - State Personnel and Pensions
Section 2-502.1(f) and (g)
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)”.

(Over)

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AMENDMENT NO. 2

On page 3, after line 10, insert:

“2-502.1.

(f) The Department may[:

(1) charge an administrative fee to an entity sufficient to offset the administrative costs resulting from the entity’s participation in the Maryland Rx Program[: and

(2) contract with a pharmacy benefit manager or other entity to administer the Maryland Rx Program].

(g) [If the]THE Department [contracts with] SHALL USE A REVERSE AUCTION, AS PROVIDED FOR IN § 2-502.2 OF THIS SUBTITLE, TO SELECT a pharmacy benefit manager or other entity to administer the Maryland Rx Program[, the Department shall consider contracting with a nonprofit entity].”.

AMENDMENT NO. 3

On page 4, in line 1, strike “AND”; in line 3, after “PRICING” insert “; AND

(4) LIMITING INDEPENDENT PHARMACIES FROM UNSUSTAINABLE REIMBURSEMENT PRACTICES WHILE PREVENTING A REDUCTION IN EMPLOYEE BENEFITS”;

in line 11, strike “AND”; in line 13, after “CLAIMS” insert “; AND

(III) COLLECT DATA ON PHARMACY REIMBURSEMENT”;

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in line 27, strike “AND”; and in line 32, after “PROCESS” insert “; AND”

(V) IF AVAILABLE, AFTER THE CLOSE OF A REVERSE AUCTION, PERFORM COMPARISONS OF THE FINANCIAL EFFECTS ON THE STATE OF ALTERNATIVE DRUG-PRICING METRICS, SUCH AS THE NATIONAL AVERAGE DRUG ACQUISITION COST AND AVERAGE WHOLESALE PRICE”.

AMENDMENT NO. 4

On page 5, in line 4, after “TECHNOLOGY” insert “AND DEPARTMENT OF GENERAL SERVICES”; strike beginning with the first “THE” in line 23, down through “AUCTION” in line 28 and substitute “AND WITH CONSIDERATION OF RECOMMENDATIONS THAT MAY BE OFFERED BY THE MARYLAND PRESCRIPTION DRUG AFFORDABILITY BOARD, THE DEPARTMENT SHALL SPECIFY THE TERMS OF A PARTICIPANT BIDDING AGREEMENT THAT ALL BIDDERS MUST ACCEPT AS A PREREQUISITE FOR PARTICIPATION IN THE REVERSE AUCTION, INCLUDING:”

(I) COMMON DEFINITIONS;

(II) PRESCRIPTION DRUG CLASSIFICATIONS;

(III) RULES THAT MAY INCLUDE RETAIL PRICING RULES SUCH AS MAXIMUM ALLOWABLE COST PRICE LISTS AND DISPENSING FEES;

(IV) WHETHER THE VENDOR WILL BE ASSESSED A PLATFORM VENDOR FEE DESCRIBED UNDER SUBSECTION (C)(6) OF THIS SECTION; AND

(V) ANY OTHER CONTRACT TERMS THE DEPARTMENT DETERMINES ARE NECESSARY TO FURTHER THE INTENT OF THE GENERAL ASSEMBLY AS ESTABLISHED IN SUBSECTION (B) OF THIS SECTION”;

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and strike in their entirety lines 32 through 34, inclusive.

AMENDMENT NO. 5

On page 6, strike line 1 in its entirety; in lines 2, 11, and 28, strike “(F)”, “(G)”, and “(H)”, respectively, and substitute “(E)”, “(F)”, and “(G)”, respectively; in line 2, after “(1)” insert “(I)”; in the same line, strike “A MARKET CHECK” and substitute “ANNUAL MARKET CHECKS”; and after line 5, insert:

“(II) A MARKET CHECK PERFORMED UNDER THIS PARAGRAPH SHALL INCLUDE AN EVALUATION OF THE EFFECT OF ALTERNATIVE DRUG-PRICING METRICS, SUCH AS THE NATIONAL AVERAGE DRUG ACQUISITION COST AND AVERAGE WHOLESALE PRICE, ON THE COST OF PRESCRIPTION DRUGS AND SAVINGS TO THE STATE.”

AMENDMENT NO. 6

On page 7, in line 4, strike “(I)” and substitute “(H)”; and after line 11, insert:

“(I) (1) IF THE DEPARTMENT AND THE DEPARTMENT OF GENERAL SERVICES DETERMINE THAT THE IMPLEMENTATION OF THIS SECTION IS NOT ADMINISTRATIVELY FEASIBLE FOR THE BENEFIT YEAR BEGINNING AFTER DECEMBER 31, 2020, THE DEPARTMENT MAY DELAY IMPLEMENTATION OF THIS SECTION TO THE BENEFIT YEAR BEGINNING AFTER DECEMBER 31, 2021.

(2) FOR PURPOSES OF CARRYING OUT THE PROVISIONS OF SUBSECTIONS (C) AND (D) OF THIS SECTION BEFORE JANUARY 1, 2021, THE BOARD OF PUBLIC WORKS MAY APPROVE A REQUEST FROM THE DEPARTMENT FOR AN EXEMPTION FROM SPECIFIC PROVISIONS OF DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE.”