SENATE BILL 99

(Pre-filed)

By: Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)

Requested: September 16, 2019
Introduced and read first time: January 8, 2020
Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted
Read second time: February 4, 2020

CHAPTER _____

AN ACT concerning

Health Insurance Benefit Cards, Prescription Benefit Cards, and Other Technology – Identification of Regulatory Agency

FOR the purpose of requiring certain insurers, nonprofit health service plans, health maintenance organizations, and managed care organizations to indicate in a certain manner on a health insurance benefit card or prescription benefit card or other technology which State agency regulates the policy or contract offered by the entity; providing for the construction of certain provisions of this Act; making a technical correction; providing for the application of this Act; providing for a delayed effective date; and generally relating to health insurance benefit cards, prescription benefit cards, and other technology.

BY repealing and reenacting, without amendments,

Article – Insurance
Section 15–130(a)
Annotated Code of Maryland
(2017 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance
Section 15–130(b)
Annotated Code of Maryland
(2017 Replacement Volume and 2019 Supplement)

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

Article – Insurance

15–130.

(a) (1) This section applies to:

(i) insurers and nonprofit health service plans that provide coverage for prescription drugs on an outpatient basis under health insurance policies or contracts that are issued or delivered in the State;

(ii) health maintenance organizations that provide coverage for prescription drugs on an outpatient basis under contracts that are issued or delivered in the State;

(iii) managed care organizations, as defined in § 15–101 of the Health General Article, that provide coverage for prescription drugs on an outpatient basis under contracts that are issued or delivered in the State; and

(iv) to the extent consistent with State and federal law, third party administrators.

(2) This section does not apply to:

(i) short–term travel or accident–only policies;

(ii) short–term nonrenewable policies of not more than 6 months duration; or

(iii) any health maintenance organization that operates or maintains its own pharmacies and dispenses, on an annual basis, over 95% of prescription drugs on an outpatient basis to its enrollees at its own pharmacies.

(b) Each entity subject to this section shall provide to its insureds, subscribers, or enrollees a health insurance benefit card, prescription benefit card, or other technology that:
(1) (I) complies with the standards set forth in the National Council for Prescription Drug Programs Pharmacy ID Card Implementation Guide in effect at the time of issuance of the card or other technology; or

[(2)] (II) includes, at a minimum, the following data elements:

[(i)] 1. the name or identifying trademark of the entity subject to this section or, if another entity administers the prescription benefit, the name or identifying trademark of the benefit administrator;

[(ii)] 2. the name and identification number of the insured, subscriber, or enrollee;

[(iii)] 3. the telephone number that providers may call for pharmacy benefit assistance; and

[(iv)] 4. all electronic transaction routing information and other numbers required by the entity subject to this section or benefit administrator to process a prescription claim electronically; AND

(2) INDICATES WHICH STATE AGENCY REGULATES, IN WHOLE OR IN PART, THE POLICY OR CONTRACT OFFERED BY THE ENTITY BY:

(I) FOR AN ENTITY SUBJECT TO THE ADMINISTRATION, DISPLAYING “MARYLAND INSURANCE ADMINISTRATION MD INSURANCE ADMIN.” PROMINENTLY; OR

(II) FOR AN ENTITY SUBJECT TO THE MARYLAND DEPARTMENT OF HEALTH, DISPLAYING “MARYLAND DEPARTMENT OF HEALTH MD DEPT. HEALTH” PROMINENTLY.

15–130.1.

(A) THIS SECTION APPLIES TO:

(1) EACH HEALTH INSURER;

(2) EACH NONPROFIT HEALTH SERVICE PLAN;

(3) EACH HEALTH MAINTENANCE ORGANIZATION; AND

(4) EACH MANAGED CARE ORGANIZATION, AS DEFINED IN § 15–101 OF THE HEALTH – GENERAL ARTICLE.
(B) EACH ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE TO EACH INSURED, SUBSCRIBER, OR ENROLLEE OF A POLICY OR CONTRACT THAT MEETS THE DEFINITION OF MINIMUM ESSENTIAL COVERAGE, AS DESCRIBED IN 26 C.F.R. § 1.5000A–2, A HEALTH INSURANCE BENEFIT CARD, PRESCRIPTION BENEFIT CARD, OR OTHER TECHNOLOGY THAT INDICATES WHICH STATE AGENCY REGULATES, IN WHOLE OR IN PART, THE POLICY OR CONTRACT OFFERED BY THE ENTITY BY:

(1) FOR AN ENTITY SUBJECT TO THE ADMINISTRATION, DISPLAYING “MARYLAND INSURANCE ADMINISTRATION MD INSURANCE ADMIN.” PROMINENTLY; OR

(2) FOR AN ENTITY SUBJECT TO THE MARYLAND DEPARTMENT OF HEALTH, DISPLAYING “MARYLAND DEPARTMENT OF HEALTH MD DEPT. HEALTH” PROMINENTLY.

(C) THIS SECTION MAY NOT BE CONSTRUED TO PRECLUDE AN ENTITY SUBJECT TO THIS SECTION FROM INCLUDING:

(1) ANY OTHER INFORMATION REQUIRED TO BE INCLUDED UNDER THIS ARTICLE; OR

(2) ANY INFORMATION THAT IS IN ADDITION TO THE INFORMATION REQUIRED UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies or contracts issued, delivered, or renewed in the State on or after January 1, 2021.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2021.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.