C31 lr 1578

By: Delegate Kipke

AN ACT concerning

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Introduced and read first time: January 20, 2021 Assigned to: Health and Government Operations

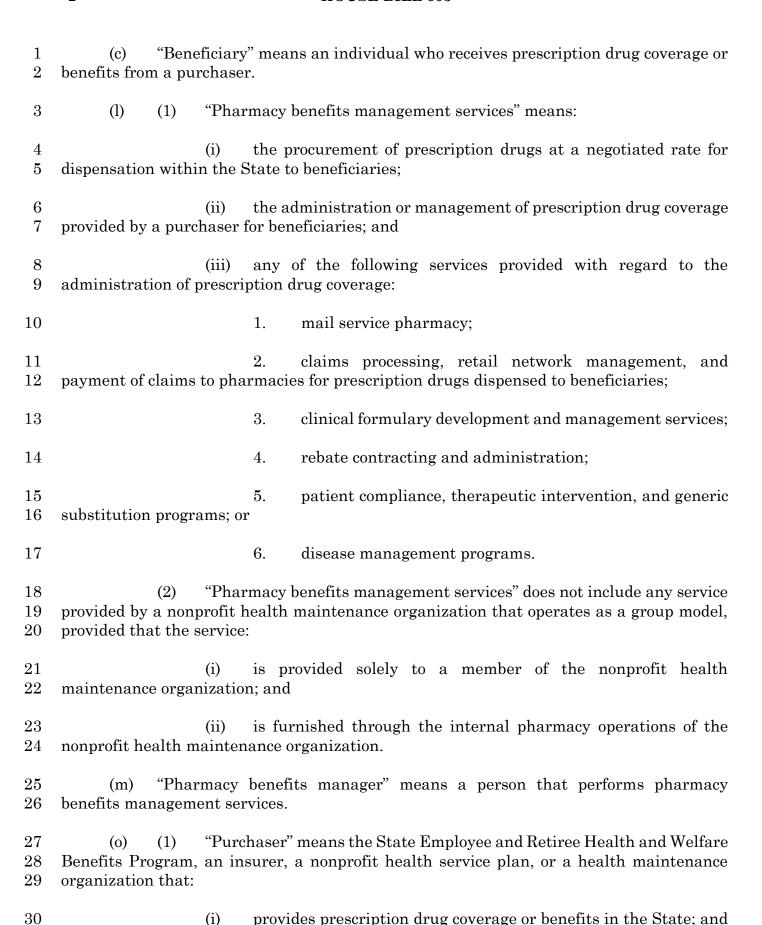
## A BILL ENTITLED

2	Health Insurance - Pharmacy Benefits Managers - Explanation of Benefits
3	Statements

4 FOR the purpose of requiring pharmacy benefits managers to provide to certain 5 beneficiaries on a quarterly basis an explanation of benefits statement on a form 6 approved by the Maryland Insurance Commissioner; requiring that the explanation 7 of benefits statements contain certain information regarding certain claims for 8 prescription drugs; providing for the application of this Act; providing for a delayed 9 effective date; and generally relating to pharmacy benefits managers and 10 explanation of benefits statements.

- 11 BY repealing and reenacting, without amendments,
- 12 Article – Insurance
- Section 15-1601(a), (c), (l), (m), and (o) 13
- Annotated Code of Maryland 14
- 15 (2017 Replacement Volume and 2020 Supplement)
- 16 BY adding to
- Article Insurance 17
- Section 15–1604.1 18
- Annotated Code of Maryland 19
- 20 (2017 Replacement Volume and 2020 Supplement)
- 21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 22 That the Laws of Maryland read as follows:
- 23 Article - Insurance
- 15-1601. 24
- 25 In this subtitle the following words have the meanings indicated. (a)





- 1 (ii) enters into an agreement with a pharmacy benefits manager for 2 the provision of pharmacy benefits management services.
- 3 (2) "Purchaser" does not include a person that provides prescription drug 4 coverage or benefits through plans subject to ERISA and does not provide prescription drug 5 coverage or benefits through insurance, unless the person is a multiple employer welfare 6 arrangement as defined in § 514(b)(6)(a)(ii) of ERISA.

## 7 **15–1604.1.**

- 8 (A) ON A QUARTERLY BASIS, A PHARMACY BENEFITS MANAGER SHALL 9 PROVIDE AN EXPLANATION OF BENEFITS STATEMENT, ON A FORM APPROVED BY 10 THE COMMISSIONER, TO EACH BENEFICIARY FOR WHOM THE PHARMACY BENEFITS
- 11 MANAGER PROCESSED OR PAID A CLAIM FOR PRESCRIPTION DRUGS DURING THE
- 12 IMMEDIATELY PRECEDING 3-MONTH PERIOD.
- 13 **(B)** AN EXPLANATION OF BENEFITS STATEMENT PROVIDED TO A BENEFICIARY IN ACCORDANCE WITH SUBSECTION **(A)** OF THIS SECTION SHALL
- 15 ACCURATELY AND CLEARLY SET FORTH THE FOLLOWING, WITH RESPECT TO EACH
- 16 CLAIM FOR PRESCRIPTION DRUGS THE PHARMACY BENEFITS MANAGER PROCESSED
- 17 OR PAID FOR THE BENEFICIARY:
- 18 (1) THE COPAYMENT OR OTHER COST-SHARING AMOUNT PAID BY THE 19 BENEFICIARY;
- 20 **(2)** THE AMOUNT OF THE PAYMENT, REIMBURSEMENT, OR OTHER 21 DISBURSEMENT MADE TO THE DISPENSING PHARMACY BY THE PHARMACY
- 22 BENEFITS MANAGER;
- 23 (3) THE AMOUNT BILLED BY THE PHARMACY BENEFITS MANAGER TO 24 THE PURCHASER; AND
- 25 (4) OTHER INFORMATION THAT THE COMMISSIONER REQUIRES BY
  26 REGULATION TO ENSURE THAT THE EXPLANATION OF BENEFITS STATEMENT
  27 PROVIDES THE BENEFICIARY WITH ACCURATE AND CLEAR INFORMATION
  28 REGARDING THE PROCESSING AND REIMBURSEMENT OF CLAIMS BY A PHARMACY
  29 BENEFITS MANAGER.
- 30 (C) THIS SECTION DOES NOT AFFECT THE EXPLANATION OF BENEFITS 31 REQUIREMENTS UNDER § 15–1007 OF THIS TITLE.
- 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, 2022.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 2 January 1, 2022.