

**TO: The Honorable Shane Pendergrass, Chair**  
**Members, House Government Operations Committee**

**FROM: Aliyah N. Horton, CAE, Executive Director, 240-688-7808**

**DATE: February 27, 2020**

**RE: SUPPORT \_ HB 1307 \_ Pharmacy Benefits Managers \_ Network Adequacy and Reimbursement**

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- Maryland Pharmacists Association (MPhA) urges a favorable report of HB 1307.
- The bill provides reasonable corrections to network adequacy provisions which level the playing field for competition and inclusion within Maryland pharmacy networks.
- The bill ensures that community pharmacies are not penalized and excluded from networks due to the availability of mail-order, which are often forced upon patients.
- Gives authority to the Maryland Insurance Administration to ensure that reimbursements for pharmacists is “fair and reasonable.”
- Eliminates unnecessary credentialing by PBMs for pharmacies that have met all state requirements for operating as a pharmacy. It will also eliminate another opportunity for PBMs to pad their fees. This provision will protect pharmacies from more carriers/PBMs doing the same. A carrier representative in the negotiations on similar bills last session stated, “if this passes, we are just going to have to credential all of you.” And this threat has come to pass.
- The bill provides protections for pharmacists who are currently forced to provide services for negative reimbursement.

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