

Wes Moore, Governor · Aruna Miller, Lt. Governor · Ryan Moran, DrPH, MHSA, Acting Secretary

March 26, 2025

The Honorable Pamela Beidle Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401-1991

RE: House Bill 813 – Pharmacy Benefits Administration – Maryland Medical Assistance Program and Pharmacy Benefits Managers – Letter of Support with Amendments

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of support with amendments for House Bill (HB) 813 – Pharmacy Benefits Administration – Maryland Medical Assistance Program and Pharmacy Benefits Managers.

As amended, HB 813 requires the Department and the Maryland Insurance Administration (MIA) to convene a workgroup to study several issues related to pharmacy benefits managers and to submit an interim report and final report with findings and recommendations to the Senate Finance Committee and the House Health and Government Operations Committee. HB 813 further requires the Department to study current reimbursement policies for pharmacists as well as practices in other states, review coverage requirements for specialty drugs, and review the Employee Retirement Income Security Act of 1974 (ERISA) exemptions for pharmacy benefits management regulation. The Department notes that an FTE (Health Policy Advanced, Grade 19) will be required to support the workgroup at a cost of \$112,555 TF (\$56,278 GF, \$56,278 FF) in FY26 and and \$102,464 (\$51,232 GF, \$51,232 GF) in FY27.

Due to the significant breadth and scope of the proposed study, the Department respectfully requests that the interim report deadline included in HB 813 be extended to reflect a due date of June 30, 2026.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov or (410) 260-3190.

Sincerely,

Ryan Moran, BrPH, MHSA

Acting Secretary

In the Senate Finance Committee

AMENDMENTS TO HOUSE BILL 813 (Third Reading File Bill)

On page 5, in line 21, strike "December 31, 2025" and substitute "June 30, 2026".