

BONNIE CULLISON  
*Legislative District 19*  
Montgomery County

Vice Chair, Health Committee

*Subcommittees*

Chair, Insurance

Pharmaceuticals

Rules and Executive  
Nominations Committee

*House Chair*

Joint Committee on Legislative Ethics



The Maryland House of Delegates  
6 Bladen Street, Room 241  
Annapolis, Maryland 21401  
410-841-3883  
800-492-7122 Ext. 3883  
Bonnie.Cullison@house.maryland.gov

THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB 1470**  
**Medical Assistance Programs - Drug Dispensing - Cost-of-Dispensing Survey**  
**and Fee-for-Service Professional Dispensing Fee**

Good afternoon, Chair Bagnall and honorable members of the committee. Thank you for this opportunity to present **HB 1470 Medical Assistance Programs - Drug Dispensing - Cost-of-Dispensing Survey and Fee-for-Service Professional Dispensing Fee**. This bill seeks to ensure that pharmacists are fairly compensated for the services they provide for our residents. It does this by simply mandating that the Maryland Department of Health (MDH) conduct an in-state dispensing survey in 2026 and regularly conduct those surveys every three years going forward. The bill goes a little further, to ensure that the dispensing fee accurately reflects the underlying data the Fee-for-service (FFS) dispensing fee is updated to reflect the most recent survey within 6-months after each survey.

Maryland has not conducted a survey to determine the Medicaid FFS dispensing fee since 2018, which was subsequently implemented by regulation in 2021. We need updated and regular surveys and a clear tie to the FFS fee to accurately reflect practical costs in MD. The current FFS dispensing fee has not kept pace with inflation, labor costs, technology requirements, or regulatory obligations placed on pharmacies. This is especially true since the most recent survey was conducted pre-COVID.

Independent cost-of-dispensing (COD) studies consistently show that the actual cost of dispensing a prescription is significantly higher than Maryland's current reimbursement structure.

Maryland pharmacists need an accurate reflection of costs in the FFS dispensing fee to help ensure they are appropriately reimbursed and thus can sustain their businesses. This data is essential policymakers in both the Legislative and Executive branch to make effective reimbursement decisions.

Unlike bills in previous years, this bill does NOT alter current law in any way that ties MCO reimbursement to the FFS fee. Colorado has a similar mandate for an annual survey, but we believe every 3 years it accomplishes the goal with less administrative burden to the Department. Similar bills proposed in several states. This bill is consistent with other Maryland policies that ensure our workforce, including essential health workers, compensation accurately reflects real world costs.

Thank you for your consideration and I respectfully request a favorable report.