

SB0595/923628/1

BY: Health and Government Operations Committee

AMENDMENTS TO SENATE BILL 595
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, strike “**and Prohibitions**”; in line 4, after “requiring” insert “certain insurers, nonprofit health service plans, and health maintenance organizations to include certain discounts, financial assistance payments, product vouchers, and other out-of-pocket expenses made by or on behalf of an insured or enrollee when calculating certain cost-sharing contributions for certain prescription drugs; requiring persons that provide certain discounts, financial assistance payments, product vouchers, or other out-of-pocket expenses to notify an insured or enrollee of certain information; providing that a violation of a certain provision of this Act is considered a violation of the Consumer Protection Act;”; strike beginning with “administrators” in line 4 down through “information;” in line 12; in line 16, strike “and 15-1611.3”; and strike in their entirety lines 19 through 23, inclusive.

On page 2, strike in their entirety lines 1 through 23, inclusive.

AMENDMENT NO. 2

On page 2, after line 27, insert:

“(A) (1) THIS SECTION APPLIES TO:

(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

(2) AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR PRESCRIPTION DRUGS THROUGH A PHARMACY BENEFITS MANAGER IS SUBJECT TO THE REQUIREMENTS OF THIS SECTION.

(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, WHEN CALCULATING AN INSURED'S OR ENROLLEE'S CONTRIBUTION TO THE INSURED'S OR ENROLLEE'S COINSURANCE, COPAYMENT, DEDUCTIBLE, OR OUT-OF-POCKET MAXIMUM UNDER THE INSURED'S OR ENROLLEE'S HEALTH BENEFIT PLAN, AN ENTITY SUBJECT TO THIS SECTION SHALL INCLUDE ANY DISCOUNT, FINANCIAL ASSISTANCE PAYMENT, PRODUCT VOUCHER, OR OTHER OUT-OF-POCKET EXPENSE MADE BY OR ON BEHALF OF THE INSURED OR ENROLLEE FOR A PRESCRIPTION DRUG:

(I) THAT IS COVERED UNDER THE INSURED'S OR ENROLLEE'S HEALTH BENEFIT PLAN; AND

(II) 1. THAT DOES NOT HAVE AN AB-RATED GENERIC EQUIVALENT DRUG OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT PREFERRED UNDER THE HEALTH BENEFIT PLAN'S FORMULARY; OR

2. A. THAT HAS AN AB-RATED GENERIC EQUIVALENT DRUG OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT PREFERRED UNDER THE HEALTH BENEFIT PLAN'S FORMULARY; AND

B. FOR WHICH THE INSURED OR ENROLLEE ORIGINALLY OBTAINED COVERAGE THROUGH PRIOR AUTHORIZATION, A STEP THERAPY PROTOCOL, OR THE EXCEPTION OR APPEAL PROCESS OF THE ENTITY SUBJECT TO THIS SECTION.

(2) IF AN INSURED OR ENROLLEE IS COVERED UNDER A HIGH-DEDUCTIBLE HEALTH PLAN, AS DEFINED IN 26 U.S.C. § 223, THIS SUBSECTION DOES NOT APPLY TO THE DEDUCTIBLE REQUIREMENT OF THE HIGH-DEDUCTIBLE HEALTH PLAN.

(C) (1) A PERSON THAT PROVIDES A DISCOUNT, FINANCIAL ASSISTANCE PAYMENT, PRODUCT VOUCHER, OR OTHER OUT-OF-POCKET EXPENSE MADE BY OR ON BEHALF OF THE INSURED OR ENROLLEE THAT IS USED IN THE CALCULATION OF THE INSURED'S OR ENROLLEE'S CONTRIBUTION TO THE INSURED'S OR ENROLLEE'S COINSURANCE, COPAYMENT, DEDUCTIBLE, OR OUT-OF-POCKET MAXIMUM SHALL NOTIFY THE INSURED OR ENROLLEE OF:

(I) THE TOTAL AMOUNT OF THE DISCOUNT, FINANCIAL ASSISTANCE PAYMENT, PRODUCT VOUCHER, OR OTHER OUT-OF-POCKET EXPENSE; AND

(II) THE DURATION FOR WHICH THE DISCOUNT, FINANCIAL ASSISTANCE PAYMENT, PRODUCT VOUCHER, OR OTHER OUT-OF-POCKET EXPENSE IS AVAILABLE.

(2) A VIOLATION OF PARAGRAPH (1) OF THIS SUBSECTION IS A VIOLATION OF THE CONSUMER PROTECTION ACT.”.

On pages 2 through 9, strike in their entirety the lines beginning with line 28 on page 2 through line 10 on page 10, inclusive.

(Over)

SB0595/923628/01 Health and Government Operations Committee
Amendments to SB 595
Page 4 of 4

On page 10, after line 10, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That on or before December 31, 2030, the Maryland Insurance Administration shall report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2-1257 of the State Government Article, on the implementation and impact of Section 1 of this Act.”;

and in lines 11 and 14, strike “2.” and “3.”, respectively, and substitute “3.” and “4.”, respectively.