
By: **Delegates Elliott, Sophocleus, and Bozman**
Introduced and read first time: February 19, 1999
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Medical Assistance - HealthChoice Program - Pharmacy Benefits**

3 FOR the purpose of requiring the Secretary of Health and Mental Hygiene, in
4 consultation with certain persons, to develop a uniform open drug formulary and
5 certain standardized guidelines for use by managed care organizations that
6 participate in a certain managed care program; requiring certain managed care
7 organizations to use a certain formulary and guidelines; specifying the content
8 of certain guidelines; and generally relating to certain pharmacy benefits under
9 a certain Medical Assistance managed care program.

10 BY repealing and reenacting, without amendments,
11 Article - Health - General
12 Section 1-101(a) and (i), 15-101(a), (b), and (i), and 15-103(b)(1)
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1998 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article - Health - General
17 Section 15-103(b)(7)
18 Annotated Code of Maryland
19 (1994 Replacement Volume and 1998 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
21 MARYLAND, That the Laws of Maryland read as follows:

22 **Article - Health - General**

23 1-101.

24 (a) In this article the following words have the meanings indicated.

25 (i) "Secretary" means the Secretary of Health and Mental Hygiene.

1 15-101.

2 (a) In this title the following words have the meanings indicated.

3 (b) "Enrollee" means a program recipient who is enrolled in a managed care
4 organization.

5 (i) "Program" means the Maryland Medical Assistance Program.

6 15-103.

7 (b) (1) As permitted by federal law or waiver, the Secretary may establish a
8 program under which Program recipients are required to enroll in managed care
9 organizations.

10 (7) The program developed under paragraph (1) of this subsection shall:

11 (I) [ensure] ENSURE that enrollees have access to a pharmacy
12 that:

13 [(i)] 1. Is licensed in the State; and

14 [(ii)] 2. Is within a reasonable distance from the enrollee's
15 residence; AND

16 (II) 1. HAVE A UNIFORM OPEN DRUG FORMULARY AND
17 STANDARDIZED GUIDELINES FOR USE OF THE FORMULARY BY EACH MANAGED CARE
18 ORGANIZATION PARTICIPATING IN THE PROGRAM, AS DEVELOPED BY THE
19 SECRETARY IN CONSULTATION WITH REPRESENTATIVES FROM THE MEDICAL AND
20 CHIRURGICAL FACULTY OF MARYLAND, THE MARYLAND PHARMACISTS
21 ASSOCIATION, THE MARYLAND ASSOCIATION OF CHAIN DRUG STORES, THE EPIC
22 PHARMACY NETWORK, THE PHARMACEUTICAL RESEARCH AND MANUFACTURERS OF
23 AMERICA, AND A PRACTICING PHARMACIST AND PRACTICING PHYSICIAN FROM A
24 PARTICIPATING MANAGED CARE ORGANIZATION;

25 2. REQUIRE EACH MANAGED CARE ORGANIZATION
26 PARTICIPATING IN THE PROGRAM TO USE THE UNIFORM OPEN DRUG FORMULARY
27 AND STANDARDIZED GUIDELINES; AND

28 3. AS PART OF THE STANDARDIZED GUIDELINES, INCLUDE
29 INFORMATION AND PROCEDURES ABOUT:

30 A. ACCESS BY ENROLLEES TO THERAPEUTICALLY
31 NECESSARY PHARMACEUTICALS;

32 B. COMMUNICATION CONCERNING FORMULARIES AND HOW
33 TO OVERRIDE A FORMULARY WHEN MEDICALLY APPROPRIATE;

34 C. A PROCESS FOR GRIEVANCE AND APPEALS;

35 D. ACCESS TO NEW DRUGS AND BIOLOGICS; AND

1 E. ANY OTHER INFORMATION THE SECRETARY CONSIDERS
2 NECESSARY.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 1999.