
By: **Senator Bromwell**

Introduced and read first time: January 22, 1999

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Prescription Drugs - Coverage**

3 FOR the purpose of prohibiting certain insurers, nonprofit health service plans, and
4 health maintenance organizations from limiting or excluding coverage for
5 certain prescription drugs if an authorized prescriber prescribes a certain
6 prescription drug after the authorized prescriber makes a certain determination
7 about the drugs included in a certain drug formulary or continues to prescribe a
8 certain prescription drug under certain circumstances; providing for the
9 application of this Act; and generally relating to prescription drug coverage
10 under health insurance.

11 BY adding to

12 Article - Insurance

13 Section 15-829

14 Annotated Code of Maryland

15 (1997 Volume and 1998 Supplement)

16 BY adding to

17 Article - Health - General

18 Section 19-706(ff)

19 Annotated Code of Maryland

20 (1996 Replacement Volume and 1998 Supplement)

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

23 **Article - Insurance**

24 15-829.

25 (A) IN THIS SECTION, "AUTHORIZED PRESCRIBER" HAS THE MEANING STATED
26 IN § 12-101 OF THE HEALTH OCCUPATIONS ARTICLE.

27 (B) THIS SECTION APPLIES TO:

1 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE
2 COVERAGE FOR PRESCRIPTION DRUGS UNDER HEALTH INSURANCE POLICIES OR
3 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

4 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE COVERAGE
5 FOR PRESCRIPTION DRUGS UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN
6 THE STATE.

7 (C) AN ENTITY SUBJECT TO THIS SECTION MAY NOT LIMIT OR EXCLUDE
8 COVERAGE FOR A PRESCRIPTION DRUG FOR AN INSURED OR ENROLLEE IF AN
9 AUTHORIZED PRESCRIBER:

10 (1) PRESCRIBES A PRESCRIPTION DRUG THAT IS NOT LISTED ON ANY
11 DRUG FORMULARY MAINTAINED BY THE ENTITY SUBJECT TO THIS SECTION AFTER
12 THE AUTHORIZED PRESCRIBER DETERMINES THAT THE DRUGS INCLUDED IN ANY
13 DRUG FORMULARY MAINTAINED BY THE ENTITY HAVE BEEN INEFFECTIVE IN
14 TREATING THE INSURED'S OR ENROLLEE'S MEDICAL CONDITION; OR

15 (2) CONTINUES TO PRESCRIBE A PRESCRIPTION DRUG THAT
16 PREVIOUSLY HAD BEEN APPROVED FOR COVERAGE BY THE ENTITY SUBJECT TO
17 THIS SECTION FOR THE MEDICAL CONDITION OF THE INSURED OR ENROLLEE.

18 **Article - Health - General**

19 19-706.

20 (FF) THE PROVISIONS OF § 15-829 OF THE INSURANCE ARTICLE APPLY TO
21 HEALTH MAINTENANCE ORGANIZATIONS.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
23 policies and contracts issued, delivered, or renewed in the State on or after October 1,
24 1999.

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