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Assigned to: Environmental Matters and Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Pharmacy Assistance Program - Maryland Cares Prescription**
3 **Drug Benefits Plan and the Maryland Catastrophic Prescription Drug**
4 **Benefits Plan**

5 FOR the purpose of creating, within the Maryland Pharmacy Assistance Program, the
6 Maryland Cares Prescription Drug Benefits Plan and the Maryland
7 Catastrophic Prescription Drug Benefits Plan; establishing eligibility levels and
8 co-payments for the Maryland Cares Prescription Drug Benefits Plan;
9 establishing eligibility, co-payments, and a deductible for the Maryland
10 Catastrophic Prescription Drug Benefits Plan; requiring members of the plans
11 to pay a processing fee for prescription drugs purchased; requiring the
12 Department of Health and Mental Hygiene to issue membership identification
13 and eligibility cards that comply with certain laws to members in the Maryland
14 Cares Prescription Drug Benefits Plan; requiring the Program to reimburse
15 eligible pharmacies for Program drugs not covered by the co-payments;
16 requiring the Department to apply to the federal Health Care Financing
17 Administration for a waiver to further the goals and offset costs for the
18 Maryland Cares Prescription Drug Benefits Plan and the Maryland
19 Catastrophic Prescription Drug Benefits Plan; providing for the operation of the
20 plans before and after approval of the waiver is granted; requiring the
21 Department to report to the General Assembly until a certain time on the status
22 of the waiver and on the need for changes to existing laws; authorizing the
23 Department to adopt certain emergency regulations; creating the Maryland
24 Prescription Drug Benefits Advisory Committee in the Department; providing
25 for the duties of the Advisory Committee; providing for the membership, terms,
26 and compensation of the Advisory Committee; requiring the transfer of moneys
27 from the Maryland Short-Term Prescription Drug Subsidy Plan Fund when
28 that plan terminates to the Maryland Pharmacy Assistance Program for use in
29 the Maryland Cares Prescription Drug Benefits Plan and the Maryland
30 Catastrophic Prescription Drug Benefits Plan; requiring the Department to
31 study certain drug utilization information and report to certain committees of
32 the General Assembly on drug utilization patterns and the feasibility of

1 implementing a State therapeutic drug case management program; requiring
 2 the Department to take certain administrative actions by a certain date;
 3 defining a certain term; making provisions of this Act severable; providing for
 4 the termination of this act on the occurrence of specified contingencies; and
 5 generally relating to the Maryland Cares Prescription Drug Benefits Plan and
 6 the Maryland Catastrophic Prescription Drug Benefits Plan in the Maryland
 7 Pharmacy Assistance Program.

8 BY repealing and reenacting, with amendments,
 9 Article - Health - General
 10 Section 15-124
 11 Annotated Code of Maryland
 12 (2000 Replacement Volume)

13 BY adding to
 14 Article - Health - General
 15 Section 15-124.1 and 15-124.2
 16 Annotated Code of Maryland
 17 (2000 Replacement Volume)

18 BY repealing and reenacting, with amendments,
 19 Chapter 565 of the Acts of the General Assembly of 2000
 20 Section 5

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

23 **Article - Health - General**

24 15-124.

25 (a) (1) The Department shall maintain a Maryland Pharmacy Assistance
 26 Program [for low] FOR:

27 (I) LOW income individuals whose:

28 [(i)] 1. Assets are not more than 1.5 times the amount of
 29 accountable resources according to the asset schedule of the Maryland Medical
 30 Assistance Program; and

31 [(ii)] 2. Gross annual income does not exceed:

32 [1.] A. \$4,600 plus \$500 for each individual over 1 in a
 33 family unit; and

34 [2.] B. An annual increase set by the Secretary under
 35 paragraph (2)(ii)4 of this subsection; AND

(II) OTHER INDIVIDUALS QUALIFIED TO PARTICIPATE:

1 UNDER SUBSECTION (A-1) OF THIS SECTION, IN THE
2 MARYLAND CARES PRESCRIPTION DRUG BENEFITS PLAN; AND

3 UNDER SUBSECTION (A-2) OF THIS SECTION, IN THE
4 MARYLAND CATASTROPHIC PRESCRIPTION DRUG BENEFITS PLAN.

5 (2) (i) 1. In this paragraph the following words have the meanings
6 indicated.

7 2. "Income disregard" means the exclusion of up to \$1,000 of
8 annual income earned by an individual as a client of a sheltered workshop if the
9 individual's sole other income is derived from a Social Security payment.

10 3. "Sheltered workshop" means a workshop licensed by the
11 Developmental Disabilities Administration under Title 7, Subtitle 9 of this article.

12 (ii) For the purpose of paragraph (1) of this subsection, the
13 Secretary shall:

14 1. In order to determine eligibility for the Maryland
15 Pharmacy Assistance Program, deduct any income disregards from the countable
16 gross income of a unit that contains a disabled individual;

17 2. Define excluded assets;

18 3. Establish a family unit structure; and

19 4. Beginning July 1, 1985, increase annually at the time
20 Social Security benefits are increased, rounded to the next highest even \$50 level, the
21 income level within which an individual is eligible for benefits under the Maryland
22 Pharmacy Assistance Program by the larger of:

23 A. The percentage by which benefits under Title II of the
24 Social Security Act (42 U.S.C. 401-433) are increased by the federal government due
25 to cost-of-living changes as that percentage is reported in the Federal Register
26 pursuant to 42 U.S.C. 415(I)(2)(D) but not to exceed 8 percent; or

27 B. The dollar amount by which the medical assistance income
28 schedules are increased by the State.

29 (3) REIMBURSEMENT UNDER THIS SUBSECTION SHALL BE UP TO THE
30 AMOUNT PAID FOR THE SAME ITEMS OR SERVICES UNDER THE PHARMACY PROGRAM
31 OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM AND SHALL BE SUBJECT TO A
32 CO-PAYMENT OF NOT MORE THAN \$5 FOR EACH COVERED ITEM OR SERVICE.

33 (A-1) (1) ON AND AFTER JANUARY 1, 2002, THE DEPARTMENT SHALL
34 MAINTAIN A MARYLAND CARES PRESCRIPTION DRUG BENEFITS PLAN IN THE
35 MARYLAND PHARMACY ASSISTANCE PROGRAM.

1 (2) AN INDIVIDUAL IS ELIGIBLE TO ENROLL IN THE MARYLAND CARES
2 PRESCRIPTION DRUG BENEFITS PLAN IF:

3 (I) THE INDIVIDUAL IS:

4 1. NOT COVERED UNDER SUBSECTION (A) OF THIS SECTION;

5 2. ELIGIBLE UNDER THE FEDERAL MEDICARE PROGRAM;

6 AND

7 3. NOT RECEIVING PRESCRIPTION DRUG BENEFITS UNDER
8 ANY OTHER PUBLIC OR PRIVATE INSURANCE OR PRESCRIPTION DRUG BENEFITS
9 PROGRAM; AND

10 (II) THE INDIVIDUAL'S GROSS INCOME DOES NOT EXCEED 250
11 PERCENT OF THE FEDERAL POVERTY LEVEL.

12 (3) (I) AFTER A PHARMACIST AT AN ELIGIBLE PHARMACY
13 DETERMINES AN INDIVIDUAL TO BE AN ENROLLEE IN THE MARYLAND CARES
14 PRESCRIPTION DRUG BENEFITS PLAN, THE ENROLLEE SHALL PAY DIRECTLY TO THE
15 PHARMACIST AT THE POINT OF SALE FOR ANY MARYLAND PHARMACY ASSISTANCE
16 PROGRAM DRUG PURCHASED UNDER THE PLAN:

17 1. 87 PERCENT OF THE MEDICAL ASSISTANCE PRICE FOR
18 THAT DRUG; AND

19 2. A \$2 PROCESSING FEE.

20 (II) 1. THE DEPARTMENT SHALL ISSUE A MARYLAND CARES
21 PRESCRIPTION DRUG BENEFITS PLAN MEMBERSHIP IDENTIFICATION AND
22 ELIGIBILITY CARD TO INDIVIDUALS COVERED UNDER THIS SUBSECTION.

23 2. THE CARD SHALL COMPLY WITH APPLICABLE STATE AND
24 FEDERAL LAWS GOVERNING IN THE FORMAT FOR A PRESCRIPTION DRUG BENEFIT
25 CARD.

26 (III) PHARMACY REIMBURSEMENT UNDER THE MARYLAND CARES
27 PRESCRIPTION DRUG BENEFITS PLAN SHALL BE AN AMOUNT NOT LESS THAN THE
28 AMOUNT PAID FOR THE SAME ITEMS OR SERVICES UNDER THE PHARMACY PROGRAM
29 OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM THAT IS NOT PAID BY THE
30 ENROLLEE AT THE POINT OF SALE.

31 (4) (I) IN THIS SUBSECTION, "ELIGIBLE PHARMACY" MEANS A RETAIL
32 PHARMACY THAT MEETS THE REQUIREMENTS OF THE MARYLAND PHARMACY
33 ASSISTANCE PROGRAM.

34 (II) "ELIGIBLE PHARMACY" DOES NOT INCLUDE AN INSTITUTIONAL
35 PHARMACY.

1 (A-2) (1) (I) ON AND AFTER JANUARY 1, 2004, THE DEPARTMENT SHALL
2 PROVIDE, THROUGH A PRIVATE ENTITY, A MARYLAND CATASTROPHIC PRESCRIPTION
3 DRUG BENEFITS PLAN UNDER THE MARYLAND PHARMACY ASSISTANCE PROGRAM.

4 (II) UNDER THE MARYLAND CATASTROPHIC PRESCRIPTION DRUG
5 BENEFITS PLAN, AN ELIGIBLE INDIVIDUAL SHALL PAY DIRECTLY TO A PHARMACIST
6 AT AN ELIGIBLE PHARMACY AT THE POINT OF SALE FOR ANY MARYLAND PHARMACY
7 ASSISTANCE PROGRAM DRUG PURCHASED UNDER THE PLAN:

8 1. 25 PERCENT OF THE MEDICAL ASSISTANCE PRICE FOR
9 THAT DRUG; PLUS

10 2. A \$2 PROCESSING FEE.

11 (2) (I) AN INDIVIDUAL SHALL BE ELIGIBLE UNDER THE MARYLAND
12 CATASTROPHIC PRESCRIPTION DRUG BENEFITS PLAN IF:

13 1. THE INDIVIDUAL IS AN ENROLLEE IN THE MARYLAND
14 CARES PRESCRIPTION DRUG BENEFITS PLAN; AND

15 2. THE INDIVIDUAL HAS SPENT \$2,000 ON PRESCRIPTION
16 DRUGS COVERED UNDER SUBSECTION (B) OF THIS SECTION IN THE SAME CALENDAR
17 YEAR.

18 (II) THE \$2,000 EXPENDITURE REQUIRED UNDER SUBPARAGRAPH
19 (I)2 OF THIS PARAGRAPH DOES NOT INCLUDE THE \$2 PROCESSING FEES ASSESSED
20 UNDER PARAGRAPH (1)(II)2 OF THIS SUBSECTION AND UNDER SUBSECTION
21 (A-1)(3)(I)2 OF THIS SECTION.

22 (3) PHARMACY REIMBURSEMENT UNDER THE MARYLAND
23 CATASTROPHIC PRESCRIPTION DRUG BENEFITS PLAN SHALL BE AN AMOUNT NOT
24 LESS THAN THE AMOUNT PAID FOR THE SAME ITEMS OR SERVICES UNDER THE
25 PHARMACY PROGRAM OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM THAT IS
26 NOT PAID BY THE ENROLLEE AT THE POINT OF SALE.

27 (4) THE DEPARTMENT AND THE PROVIDING ELIGIBLE PHARMACY
28 SHALL USE THE MARYLAND CARES PRESCRIPTION DRUG BENEFITS PLAN
29 MEMBERSHIP IDENTIFICATION AND ELIGIBILITY CARD AND ELECTRONIC RECORDS
30 OF THE ACCUMULATED EXPENSES REIMBURSED UNDER THAT PLAN TO VERIFY
31 ELIGIBILITY UNDER THE MARYLAND CATASTROPHIC PRESCRIPTION DRUG BENEFITS
32 PLAN.

33 (5) (I) IN THIS SUBSECTION, "ELIGIBLE PHARMACY" MEANS A RETAIL
34 PHARMACY THAT MEETS THE REQUIREMENTS OF THE MARYLAND PHARMACY
35 ASSISTANCE PROGRAM.

36 (II) "ELIGIBLE PHARMACY" DOES NOT INCLUDE AN INSTITUTIONAL
37 PHARMACY.

1 (b) [(1) (i)] (1) Reimbursement under the Maryland Pharmacy Assistance
2 Program shall be limited to maintenance drugs, anti-infectives, and AZT as specified
3 in regulations to be issued by the Secretary after consultation with the Maryland
4 Pharmacists Association.

5 [(ii) 1.] (2) (I) For any drug on the Program's interchangeable
6 drug list, the Program shall reimburse providers in an amount not more than it would
7 reimburse for the drug's generic equivalent, unless the individual's physician states,
8 in his or her own handwriting, on the face of the prescription, that a specific brand is
9 "medically necessary" for the particular patient.

10 [2.] (II) If an appropriate generic drug is not generally
11 available, the Department may waive the reimbursement requirement under
12 sub-subparagraph 1 of this subparagraph.

13 [(2) The reimbursement shall be up to the amount paid for the same
14 items or services under the pharmacy program of the Maryland Medical Assistance
15 Program and shall be subject to a copayment of not more than \$5.00 for each covered
16 item or service.]

17 (c) (1) Except as provided under paragraph (4) of this subsection and unless
18 the change is made by an emergency regulation, the Maryland Pharmacy Assistance
19 Program shall notify all pharmacies under contract with the Program in writing of
20 changes in the Pharmaceutical Benefit Program rules or requirements at least 30
21 days before the change is effective.

22 (2) Changes that require 30 days' advance written notice under
23 paragraph (1) of this subsection are:

24 (i) Exclusion of coverage for classes of drugs as specified by
25 contract;

26 (ii) Changes in prior or preauthorization procedures; and

27 (iii) Selection of new prescription claims processors.

28 (3) If the Maryland Pharmacy Assistance Program fails to provide
29 advance notice as required under paragraph (1) of this subsection, it shall honor and
30 pay in full any claim under the Program rules or requirements that existed before the
31 change for 30 days after the postmarked date of the notice.

32 (4) Notwithstanding any other provision of law, the notice requirements
33 of this subsection do not apply to the addition of new generic drugs authorized under
34 § 12-504 of the Health Occupations Article.

35 (d) (1) The Secretary shall adopt rules and regulations that authorize the
36 denial, restriction, or termination of eligibility for recipients who have abused
37 benefits under the Maryland Pharmacy Assistance Program.

1 (2) As a condition of participation, the Department may require
2 Maryland Pharmacy Assistance Program participants to apply for eligibility in the
3 Maryland Medical Assistance Program within 60 days of notification to do so by the
4 Department.

5 (3) The rules and regulations shall require that the recipient be given
6 notice and an opportunity for a hearing before eligibility may be denied, restricted, or
7 terminated under this subsection.

8 (e) The Secretary shall develop a program, in consultation with appropriate
9 agencies, that will provide information to ineligible Maryland Pharmacy Assistance
10 Program applicants regarding other programs that they may be eligible for including
11 free programs offered by drug manufacturers.

12 15-124.1.

13 (A) ON OR BEFORE JANUARY 1, 2003, THE DEPARTMENT SHALL APPLY TO THE
14 HEALTH CARE FINANCING ADMINISTRATION OF THE UNITED STATES DEPARTMENT
15 OF HEALTH AND HUMAN SERVICES FOR AN AMENDMENT TO THE EXISTING WAIVER
16 OR FOR ANY OTHER APPROPRIATE WAIVER UNDER § 1115 OF THE FEDERAL SOCIAL
17 SECURITY ACT TO MAXIMIZE THE GOALS OR OFFSET THE COSTS OF PROVIDING
18 PRESCRIPTION DRUG BENEFITS AT MEDICAID RATES TO:

19 (1) ENROLLEES OF THE MARYLAND CARES PRESCRIPTION DRUG
20 BENEFITS PLAN OF THE MARYLAND PHARMACY ASSISTANCE PROGRAM UNDER §
21 15-124(A-1) OF THIS SUBTITLE; AND

22 (2) ENROLLEES OF THE MARYLAND CATASTROPHIC PRESCRIPTION
23 DRUG BENEFITS PLAN OF THE MARYLAND PHARMACY ASSISTANCE PROGRAM
24 UNDER § 15-124(A-2) OF THIS SUBTITLE.

25 (B) (1) THE FUNDING AND OPERATION OF THE MARYLAND CARES
26 PRESCRIPTION DRUG BENEFITS PLAN AND THE MARYLAND CATASTROPHIC
27 PRESCRIPTION DRUG BENEFITS PLAN SHALL NOT BE CONDITIONED ON THE GRANT
28 OF A WAIVER TO THE STATE BY THE HEALTH CARE FINANCING ADMINISTRATION.

29 (2) THIS SECTION MAY NOT BE CONSTRUED TO AFFECT, INTERFERE
30 WITH, OR INTERRUPT ANY BENEFITS RECEIVED OR REIMBURSED THROUGH THE
31 MARYLAND PHARMACY ASSISTANCE PROGRAM.

32 (C) (1) AS SOON AS REASONABLY POSSIBLE AFTER RECEIVING APPROVAL
33 FROM THE HEALTH CARE FINANCING ADMINISTRATION FOR A MEDICAID WAIVER,
34 THE DEPARTMENT SHALL IMPLEMENT ANY CHANGES IN THE MARYLAND PHARMACY
35 ASSISTANCE PROGRAM MADE POSSIBLE BY THE GRANTING OF THE WAIVER.

36 (2) UNTIL LEGISLATIVE CHANGES CONFORMING THE PROVISIONS OF
37 AN APPROVED WAIVER PROGRAM TO THE PROVISIONS OF EXISTING LAW CAN BE
38 ENACTED AT THE NEXT LEGISLATIVE SESSION, THE DEPARTMENT MAY IMPLEMENT
39 BY EMERGENCY REGULATIONS ANY EXPANSION OR CHANGE THAT MAY CONFLICT
40 WITH THE PROVISIONS OF § 15-124(A-1) OR (A-2) OF THIS SUBTITLE.

1 (D) IF A PERSON DETERMINED TO BE ELIGIBLE TO RECEIVE WAIVER
2 BENEFITS UNDER THIS SECTION DESIRES TO RECEIVE THOSE SERVICES OR
3 BENEFITS, THE DEPARTMENT SHALL AUTHORIZE THE PLACEMENT OF THE
4 INDIVIDUAL IN THE MARYLAND CARES PRESCRIPTION DRUG BENEFITS PLAN OR THE
5 MARYLAND CATASTROPHIC PRESCRIPTION DRUG BENEFITS PLAN OF THE
6 MARYLAND PHARMACY ASSISTANCE PROGRAM.

7 (E) (1) UNTIL THE EARLIER OF DECEMBER 31, 2006 OR NOTIFICATION BY
8 THE HEALTH CARE FINANCING ADMINISTRATION OF THE FINAL APPROVAL OR
9 DENIAL OF THE DEPARTMENT'S APPLICATION FOR A WAIVER, AND SUBJECT TO §
10 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE DEPARTMENT SHALL REPORT
11 EVERY 6 MONTHS TO THE APPROPRIATE COMMITTEES OF THE GENERAL ASSEMBLY
12 ON THE STATUS OF THE DEPARTMENT'S APPLICATION UNDER THIS SECTION.

13 (2) (I) ON DETERMINING DURING THE PROCESS OF APPLYING FOR A
14 WAIVER UNDER THIS SECTION, THAT ENABLING LEGISLATION OR CHANGES TO
15 EXISTING LAW ARE NEEDED, THE DEPARTMENT SHALL IMMEDIATELY NOTIFY THE
16 APPROPRIATE COMMITTEES OF THE GENERAL ASSEMBLY.

17 (II) IF THE STATUTORY AUTHORITY IS PRESENT UNDER EXISTING
18 LAW, THIS PARAGRAPH MAY NOT BE INTERPRETED TO REQUIRE THE DEPARTMENT
19 TO IMPLEMENT BY STATUTE ANY WAIVER GRANTED BY THE HEALTH CARE
20 FINANCING ADMINISTRATION.

21 15-124.2.

22 (A) THERE IS A MARYLAND PRESCRIPTION DRUG BENEFITS ADVISORY
23 COMMITTEE IN THE DEPARTMENT.

24 (B) THE ADVISORY COMMITTEE SHALL:

25 (1) ADVISE THE SECRETARY ON THE STATUS OF THE WAIVER
26 APPLICATION UNDER § 15-124.1 OF THIS SUBTITLE;

27 (2) REPORT TO THE SECRETARY ON THE COSTS AND LEVELS OF
28 UTILIZATION OF PRESCRIPTION DRUGS BY LOW INCOME AND SENIOR RESIDENTS OF
29 THE STATE;

30 (3) RECOMMEND ALTERNATIVES FOR PROVIDING ACCESS TO LOW COST
31 PRESCRIPTION DRUGS FOR LOW INCOME AND SENIOR RESIDENTS OF THE STATE;
32 AND

33 (4) EVALUATE THE FISCAL IMPACT AND THE IMPACT ON THE HEALTH
34 OF ELIGIBLE INDIVIDUALS OF CREATING THE MARYLAND CARES PRESCRIPTION
35 DRUG BENEFITS PLAN AND THE MARYLAND CATASTROPHIC PRESCRIPTION DRUG
36 BENEFITS PLAN, INCLUDING THE IMPACT ON THE COSTS OF DISPENSING DRUGS
37 UNDER THE MARYLAND PHARMACY ASSISTANCE PROGRAM.

38 (C) (1) THE MEMBERS OF THE ADVISORY COMMITTEE ARE AS FOLLOWS:

1 (I) THE FOLLOWING MEMBERS APPOINTED BY THE SECRETARY:

2 1. 1 REPRESENTATIVE OF THE POPULATION OF
3 INDIVIDUALS ELIGIBLE FOR THE MARYLAND CARES PRESCRIPTION DRUG BENEFITS
4 PLAN;

5 2. 1 REPRESENTATIVE OF THE POPULATION OF
6 INDIVIDUALS ELIGIBLE FOR THE MARYLAND CATASTROPHIC PRESCRIPTION DRUG
7 BENEFITS PLAN;

8 3. 1 REPRESENTATIVE OF PHARMACISTS PRACTICING IN
9 THE STATE;

10 4. 1 REPRESENTATIVE OF THE PHARMACEUTICAL
11 INDUSTRY; AND

12 5. 1 REPRESENTATIVE OF THE MARYLAND PHARMACY
13 ASSISTANCE PROGRAM;

14 (II) 1 MEMBER OF THE SENATE OF MARYLAND, APPOINTED BY THE
15 PRESIDENT OF THE SENATE; AND

16 (III) 1 MEMBER OF THE HOUSE OF DELEGATES, APPOINTED BY THE
17 SPEAKER OF THE HOUSE.

18 (2) THE SECRETARY SHALL DESIGNATE THE CHAIRMAN OF THE
19 ADVISORY COMMITTEE.

20 (D) (1) THE TERM OF A MEMBER IS 3 YEARS.

21 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
22 TERMS PROVIDED FOR MEMBERS APPOINTED ON JULY 1, 2001.

23 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
24 SUCCESSOR IS APPOINTED AND QUALIFIES.

25 (E) THE ADVISORY COMMITTEE SHALL MEET AT LEAST ONCE EVERY 6
26 MONTHS.

27 (F) A MEMBER OF THE ADVISORY COMMITTEE:

28 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE ADVISORY
29 COMMITTEE; BUT

30 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
31 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

32 **Chapter 565 of the Acts of 2000**

33 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 July 1, 2000. On the earlier of the end of June 30, 2002, or the availability of

1 comparable prescription pharmacy benefits provided by Medicare under Title XVIII of
2 the Social Security Act, as amended, with no further action required by the General
3 Assembly, this Act shall be abrogated and of no further force and effect. THE
4 TREASURER SHALL TRANSFER ANY UNSPENT AND UNCOMMITTED MONEYS
5 REMAINING IN THE SHORT-TERM PRESCRIPTION DRUG SUBSIDY PLAN FUND WHEN
6 THE PLAN IS TERMINATED TO THE MARYLAND PHARMACY ASSISTANCE PROGRAM
7 FOR USE IN THE MARYLAND CARES PRESCRIPTION DRUG BENEFITS PLAN AND THE
8 MARYLAND CATASTROPHIC PRESCRIPTION DRUG BENEFITS PLAN. If comparable
9 prescription pharmacy benefits are provided by Medicare under Title XVIII of the
10 Social Security Act, the Secretary of Health and Mental Hygiene shall notify the
11 Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 not
12 later than 90 days before prescription drug benefits are to be provided.

13 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,
14 2001, the Department of Health and Mental Hygiene shall implement necessary
15 system changes in the Maryland Pharmacy Assistance Program to ensure that:

16 (1) enrollee eligibility under the Maryland Cares Prescription Drug
17 Benefits Plan and the Maryland Catastrophic Prescription Drug Benefits Plan
18 created by this Act under § 15-124 of the Health - General Article can be verified
19 electronically at point of sale by the pharmacist at an eligible pharmacy filling the
20 prescription for a Maryland Medical Assistance Program drug; and

21 (2) the pharmacist can transmit and the Department receive electronic
22 transmissions of pharmacist claims for the reimbursement payments required to be
23 made under this Act.

24 SECTION 3. AND BE IT FURTHER ENACTED, That the initial members of
25 the Maryland Prescription Drug Benefits Advisory Committee created under §
26 15-124.2 of the Health - General Article by this Act shall be appointed on or before
27 October 1, 2001. The terms of the initial members appointed by the Secretary shall
28 expire as follows:

29 (1) one member on or before September 30, 2002;

30 (2) one member on or before September 30, 2003; and

31 (3) two members on or before September 30, 2004.

32 SECTION 4. AND BE IT FURTHER ENACTED, That the Department of
33 Health and Mental Hygiene shall collate and review the information on drug
34 utilization currently maintained by the State's Pharmacy Assistance Program and, on
35 or before January 1, 2002, report back to the appropriate committees of the General
36 Assembly, in accordance with § 2-1246 of the State Government Article, on drug
37 utilization patterns and the feasibility of:

38 (1) developing a State therapeutic drug case management program for
39 participants in the Maryland Cares Prescription Drug Benefits Plan and the
40 Maryland Catastrophic Prescription Drug Benefits Plan created under this Act; and

1 (2) mandating that participants in the plans undergo a drug utilization
2 assessment as a condition of eligibility for enrollment in the plans.

3 SECTION 5. AND BE IT FURTHER ENACTED, That if any provision of this
4 Act or the application thereof to any person or circumstance is held invalid for any
5 reason in a court of competent jurisdiction, the invalidity does not affect other
6 provisions or any other application of this Act which can be given effect without the
7 invalid provision or application, and for this purpose the provisions of this Act are
8 declared severable.

9 SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2001. On the availability of comparable prescription pharmacy benefits
11 provided by Medicare under Title XVIII of the Social Security Act, as amended, or on
12 the availability of a federal block grant to the State to fund an expansion of the State's
13 various pharmacy benefits programs or the creation of a new pharmacy benefits
14 program, with no further action required by the General Assembly, the provisions of
15 this Act creating the Maryland Cares Prescription Drug Benefits Plan and the
16 Maryland Catastrophic Prescription Drug Benefits Plan in the Maryland Pharmacy
17 Assistance Program shall be abrogated and of no further force and effect. If
18 comparable prescription pharmacy benefits are provided by Medicare under Title
19 XVIII of the Social Security Act or if a federal block grant becomes available, the
20 Secretary of Health and Mental Hygiene shall notify the Department of Legislative
21 Services, 90 State Circle, Annapolis, Maryland 21401 not later than 90 days before
22 prescription drug benefits are to be provided.