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Introd	By: Delegate Rosenberg Delegates Rosenberg, Costa, Boutin, Goldwater,  Mandel, Smigiel, Donoghue, Hubbard, and V. Turner  Introduced and read first time: February 3, 2003  Assigned to: Health and Government Operations					
Hous	Committee Report: Favorable with amendments House action: Adopted Read second time: March 21, 2003					
	CHAPTER					
1 A	AN ACT concerning					
2	Maryland Medical Assistance Program - Maryland Pharmacy Access Hotling					
3	Prior Authorization - Mental Health Drugs					
4 F 5 6 7 8 9 10 11 12 13 14 15 16	FOR the purpose of prohibiting the Department of Health and Mental Hygiene from establishing, within certain pharmacy assistance programs in the Maryland Medical Assistance Program, prior authorization requirements or restrictions on coverage for certain drugs used to treat mental illness and brain disorders; providing for the application of this Act; requiring the Department to consider the implementation of certain programs on psychiatric drug costs; making certain stylistic changes; and generally relating to the Maryland Medical Assistance Program and drugs for mental illness and brain disorders. requiring the Department of Health and Mental Hygiene to establish a certain hotline; requiring the Department to distribute to Program recipients certain information about the hotline; requiring the Department to notify certain health care providers about the hotline; and generally relating to the Maryland Medical Assistance Program and the Maryland Pharmacy Access Hotline.					
18 19 20 21	BY adding to  Article - Health - General Section 15-136 Annotated Code of Maryland (2000 Replacement Volume and 2002 Supplement)  BY repealing and reenacting, without amendments, Article Health General Section 15-101(a) and (i)					

1	Annotated Code of Maryland				
2	(2000 Replacement Volume and 2002 Supplement)				
3	BY adding to				
4	Article Health General				
5	Section 15 118.1				
6	Annotated Code of Maryland				
7	(2000 Replacement Volume and 2002 Supplement)				
,	(2000 Replacement Volume and 2002 Supplement)				
8	BY repealing and reenacting, with amendments,				
9	Article - Health - General				
10	Section 15-124 and 15-124.1				
11	Annotated Code of Maryland				
12	(2000 Replacement Volume and 2002 Supplement)				
13	<del>Preamble</del>				
14	WHEREAS, Unrestricted access to psychiatric medications is critical to the				
15	successful treatment of mental illnesses and brain disorders; and				
1.	WHENDAG III I I I I I I I I I I I I I I I I I				
16	WHEREAS, The implementation of preferred drug lists, formularies, and prio	r			
	authorization programs in other states has been documented to result in a				
18	deterioration of patient care and increased psychiatric hospitalization; and				
19	WHEREAS, A cost containment program that results in increased				
20	hospitalization will not save money for the State of Maryland but simply transfer				
21	costs to other areas of the State budget; and				
22	WHEREAS, The human costs of restricting access to psychiatric medications				
	far exceed the potential financial savings to the State of Maryland; and				
23	iai exceed the potential intalieral savings to the state of trial yiana, and				
24	WHEREAS, Legislation introduced during the 2002 Session of the Maryland				
25	General Assembly prohibiting the Department of Health and Mental Hygiene from				
26	establishing prior authorization requirements or restricting coverage for medications				
	used to treat mental illnesses and brain disorders in the Maryland Medical Assistance				
28	Program passed the Maryland House of Delegates and the Senate of Maryland; now,				
	therefore,				
20	GEOGRANIA DE MENA COMED DA TRUE CENTEDA LA GGENDLA VA				
30	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF				
31	MARYLAND, That the Laws of Maryland read as follows:				
32	Article - Health - General				
33	<del>15-101.</del>				
34	(a) In this title the following words have the meanings indicated.				
35	(i) "Program" means the Maryland Medical Assistance Program.				

1	<del>15-118.1.</del>									
2 3	(A) CARE ORG	` /			DOES NOT 15-103 OF TI			OVERED I	B <del>Y MANAGE</del> I	Đ
6 7	<b>PHARMAC</b>	Y DISCO OTHER I	OPED UI OUNT PR	NDER § ROGRAM	APPLIES TO 15-124 OF TI 1 DEVELOPI SISTANCE P	HIS SUBTITED UNDER	FLE, THE N - § 15-124.1	IARYLAN OF THIS S	SUBTITLE,	CE
	•	4ENTS C	R REST	RICT CO	AY NOT EST OVERAGE F , INCLUDIN	OR DRUGS				
12		<del>(1)</del>	ATYPIC	CAL AN	FIPSYCHOT	IC MEDIC	<del>ATIONS;</del>			
13		<del>(2)</del>	CONVE	ENTION	AL ANTIPSY	CHOTIC M	<del>(EDICATIO</del>	<del>NS;</del>		
14		<del>(3)</del>	ACTIV	E SERO	<del>FONIN RE U</del>	PTAKE INI	HIBITORS;			
15		<del>(4)</del>	ATYPIC	CAL AN	FIDEPRESS/	ANTS; ANE	)			
16 17	BRAIN DIS	(5) SORDER	211000	TO TRI	EAT EPILEP	SY AND O	FHER CENT	FRAL NEI	RVOUS SYSTI	EM
18	<del>(C)</del>	THE DI	EPARTM	<del>IENT SH</del>	ALL CONSI	<del>DER:</del>				
	PSYCHIAT PATTERNS				ΓΙΟΝ OF Α ( Γ ADDRESSI					
	INCLUDIN PARTICIPA		NNUAL	CIRCUL	ATION OF A				DRUG COST SICIANS	<del>'S,</del>
25	<del>15-124.</del>									
26 27	(a) Program for				shall maintair hose:	a Maryland	d Pharmacy .	Assistance	<del>,</del>	
	resources ac Program; an		(i) to the ass		re not more the design of the Mar				<del>ntable</del>	
31			<del>(ii)</del>	Gross a	<del>nnual income</del>	<del>does not ex</del>	<del>ceed:</del>			
32 33	unit; and			<del>1.</del>	\$4,600 plus	\$500 for eac	<del>ch individual</del>	over 1 in	a family	

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1 2	(2)(ii)4 of this subsection.	<del>2.</del>	An annual increase set by the Secretary under paragraph
3	(2) (i) indicated.	<del>1.</del>	In this paragraph the following words have the meanings
			"Income disregard" means the exclusion of up to \$1,000 of as a client of a sheltered workshop if the 1 from a Social Security payment.
8 9	Developmental Disabilities	<del>3.</del> Administrat	"Sheltered workshop" means a workshop licensed by the ion under Title 7, Subtitle 9 of this article.
10 11	Secretary shall:	For the j	purpose of paragraph (1) of this subsection, the
	Pharmacy Assistance Progress income of a unit that		In order to determine eligibility for the Maryland any income disregards from the countable isabled individual;
15		<del>2.</del>	Define excluded assets;
16		<del>3.</del>	Establish a family unit structure; and
19		<del>an individua</del>	Beginning July 1, 1985, increase annually at the time counded to the next highest even \$50 level, the all is eligible for benefits under the Maryland barger of:
23		s that percen	The percentage by which benefits under Title II of the 3) are increased by the federal government due tage is reported in the Federal Register not to exceed 8 percent; or
25 26	schedules are increased by	<del>B.</del> the State.	The dollar amount by which the medical assistance income
29		maintenane	rsement under the Maryland Pharmacy Assistance e drugs, anti-infectives, and AZT as specified tary after consultation with the Maryland
33 34	reimburse for the drug's ge in his or her own handwriti	neric equiva ng, on the fa	For any drug on the Program's interchangeable drug list, in an amount not more than it would lent, unless the individual's physician states, aree of the prescription, that a specific brand is
35	"medically necessary" for t	<del>ne particula</del> i	<del>: patient.</del>

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	2. If an appropriate generic drug is not generally available, the Department may waive the reimbursement requirement under sub subparagraph 1 of this subparagraph.
6	(2) The reimbursement shall be up to the amount paid for the same items or services under the pharmacy program of the Maryland Medical Assistance Program and shall be subject to a copayment of not more than \$5.00 for each covered item or service.
10 11	(c) (1) Except as provided under paragraph (4) of this subsection and unless the change is made by an emergency regulation, the Maryland Pharmacy Assistance Program shall notify all pharmacies under contract with the Program in writing of changes in the Pharmaceutical Benefit Program rules or requirements at least 30 days before the change is effective.
13 14	(2) Changes that require 30 days' advance written notice under paragraph (1) of this subsection are:
15 16	(i) Exclusion of coverage for classes of drugs as specified by contract;
17	(ii) Changes in prior or preauthorization procedures; and
18	(iii) Selection of new prescription claims processors.
21 22 23	(3) If the Maryland Pharmacy Assistance Program fails to provide advance notice as required under paragraph (1) of this subsection, it shall honor and pay in full any claim under the Program rules or requirements that existed before the change for 30 days after the postmarked date of the notice.  (4) Notwithstanding any other provision of law, the notice requirements of this subsection do not apply to the addition of new generic drugs authorized under
	§ 12 504 of the Health Occupations Article.
	(d) (1) The Secretary shall adopt rules and regulations that authorize the denial, restriction, or termination of eligibility for recipients who have abused benefits under the Maryland Pharmacy Assistance Program.
31	(2) As a condition of participation, the Department may require Maryland Pharmacy Assistance Program participants to apply for eligibility in the Maryland Medical Assistance Program within 60 days of notification to do so by the Department.
	(3) The rules and regulations shall require that the recipient be given notice and an opportunity for a hearing before eligibility may be denied, restricted, or terminated under this subsection.
	(E) PRIOR AUTHORIZATION PROCEDURES OR RESTRICTIONS ON COVERAGE DEVELOPED FOR THE MARYLAND PHARMACY ASSISTANCE PROGRAM SHALL BE DEVELOPED IN ACCORDANCE WITH § 15.118.1 OF THIS SUBTITLE.

- **HOUSE BILL 363** 1 <del>(F)</del> <del>[(e)]</del> The Secretary shall develop a program, in consultation with 2 appropriate agencies, that will provide information to ineligible Maryland Pharmacy Assistance Program applicants regarding other programs that they may be eligible 4 for including the Maryland Medbank Program established under § 15-124.2 of this 5 subtitle and the short term prescription drug subsidy plan established under Subtitle 6 of this title. 7 15 124.1. 8 (a) (1)In this section the following words have the meanings indicated: 9 (2)"Enrollee" means an individual who is enrolled in the Maryland 10 Pharmacy Discount Program. 11 (3)"Program" means the Maryland Pharmacy Discount Program 12 established under this section. There is a Maryland Pharmacy Discount Program within the Maryland 13 14 Medical Assistance Program. 15 The purpose of the Program is to improve the health status of Medicare 16 beneficiaries who lack prescription drug coverage by providing access to lower cost, medically necessary, prescription drugs. 18 (d) The Program shall be administered and operated by the Department as permitted by federal law or waiver. 20 <del>(e)</del> The Program shall be open to Medicare beneficiaries who lack other 21 public or private prescription drug coverage. 22 Notwithstanding paragraph (1) of this subsection, enrollment in the 23 Maryland Medbank Program established under § 15 124.2 of this subtitle or the 24 Maryland Pharmacy Assistance Program established under § 15 124 of this subtitle 25 does not disqualify an individual from being eligible for the Program. <del>(f)</del> 26 Subject to subsection (g) of this section, an enrollee may purchase medically necessary prescription drugs that are covered under the Maryland Medical 28 Assistance Program from any pharmacy that participates in the Maryland Medical 29 Assistance Program at a price that is based on the price paid by the Maryland 30 Medical Assistance Program, minus the aggregate value of any federally mandated 31 manufacturers' rebates. 32 Subject to subsection (g) of this section, and to the extent authorized
- 38 (g) The Department may establish mechanisms to:

37 the Program.

33 under federal waiver, an enrollee whose annual household income is at or below 175
 34 [percent] % of the federal poverty guidelines may receive a discount subsidized by the
 35 Department that is equal to 35 [percent] % of the price paid by the Maryland Medical
 36 Assistance Program for each medically necessary prescription drug purchased under

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1		<del>(1)</del>	Recover the administrative costs of the Program;
			Reimburse participating pharmacies in an amount equal to the sistance price, minus the copayment paid by the enrollee for d under the Program; and
	addition to a under the Pro		Allow participating pharmacies to collect a \$1 processing fee, in ized dispensing fee, for each prescription filled for an enrollee
	(H) DEVELOPE 15.118.1 OF	D FOR T	AUTHORIZATION PROCEDURES OR RESTRICTIONS ON COVERAGE THE PROGRAM SHALL BE DEVELOPED IN ACCORDANCE WITH § UBTITLE.
11	<del>[(h)]</del>	<del>(I)</del>	The Secretary shall adopt regulations to implement the Program.
12	<u>15-136.</u>		
13 14	(A) TOLL FREE		EPARTMENT SHALL USE EXISTING RESOURCES TO ESTABLISH A LAND PHARMACY ACCESS HOTLINE THAT:
15		<u>(1)</u>	OPERATES DURING REGULAR BUSINESS HOURS; AND
16 17	MESSAGE.	<u>(2)</u>	DURING NONBUSINESS HOURS ALLOWS CALLERS TO LEAVE A
18 19	(B) RECIPIENT	( <u>1)</u> [S INFO]	THE DEPARTMENT SHALL DISTRIBUTE TO ALL PROGRAM RMATION ABOUT THE MARYLAND PHARMACY ACCESS HOTLINE.
20 21	PRINT:	<u>(2)</u>	THE INFORMATION SHALL STATE CLEARLY IN EASILY READABLE
22			(I) THE TOLL FREE TELEPHONE NUMBER OF THE HOTLINE; AND
	TELEPHON NECESSAF		(II) THAT THE PROGRAM RECIPIENT SHOULD CALL THE BER IF THE PROGRAM RECIPIENT IS HAVING PROBLEMS GETTING ICINES.
	(C) PARTICIPA HOTLINE.		EPARTMENT SHALL NOTIFY ALL HEALTH CARE PROVIDERS WHO THE PROGRAM ABOUT THE MARYLAND PHARMACY ACCESS
29 30	SECTION SECTIO		ND BE IT FURTHER ENACTED, That this Act shall take 3.

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