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By: **Delegates Morhaim, Elliott, and Hammen**  
Introduced and read first time: February 1, 2005  
Assigned to: Health and Government Operations

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A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance - Pharmacies - Electronic Reimbursement**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and  
4 health maintenance organizations to reimburse a pharmacy electronically and  
5 provide appropriate payment data electronically under certain circumstances;  
6 prohibiting the imposition of a certain processing fee; and generally relating to  
7 electronic claim reimbursement for pharmacies.

8 BY adding to  
9 Article - Health - General  
10 Section 19-706(ddd)  
11 Annotated Code of Maryland  
12 (2000 Replacement Volume and 2004 Supplement)

13 BY adding to  
14 Article - Insurance  
15 Section 15-131  
16 Annotated Code of Maryland  
17 (2002 Replacement Volume and 2004 Supplement)

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

20 **Article - Health - General**

21 19-706.

22 (DDD) THE PROVISIONS OF § 15-131 OF THE INSURANCE ARTICLE APPLY TO  
23 HEALTH MAINTENANCE ORGANIZATIONS.

24 **Article - Insurance**

25 15-131.

26 (A) THIS SECTION APPLIES TO:

1 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE,  
2 DIRECTLY OR THROUGH A PHARMACY BENEFIT MANAGER, COVERAGE FOR  
3 PRESCRIPTION DRUGS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS THAT  
4 ARE ISSUED OR DELIVERED IN THE STATE; AND

5 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE, DIRECTLY  
6 OR THROUGH A PHARMACY BENEFIT MANAGER, COVERAGE FOR PRESCRIPTION  
7 DRUGS UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

8 (B) IF AN ENTITY SUBJECT TO THIS SECTION REQUIRES A PHARMACY TO  
9 SUBMIT A REQUEST FOR PAYMENT ELECTRONICALLY, THEN THE PHARMACY OR  
10 DESIGNATED AGENT MAY CHOOSE TO BE REIMBURSED ELECTRONICALLY, AND IN  
11 THAT EVENT THE ENTITY SHALL REIMBURSE THE PHARMACY ELECTRONICALLY,  
12 AND SHALL PROVIDE THE APPROPRIATE PAYMENT DATA ELECTRONICALLY.

13 (C) AN ENTITY SUBJECT TO THIS SECTION MAY NOT IMPOSE A PROCESSING  
14 FEE FOR THE ELECTRONIC REIMBURSEMENT OR FOR PROVIDING PAYMENT DATA  
15 ELECTRONICALLY.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2005.