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By: **Delegate Rudolph**

Introduced and read first time: February 11, 2005

Assigned to: Health and Government Operations

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Rx Program**

3 FOR the purpose of requiring the Department of Health and Mental Hygiene to  
4 establish a Maryland Rx Program; requiring the Maryland Rx Program to make  
5 prescription drugs available at reduced cost through certain means; requiring  
6 the Maryland Rx Program to be the prescription drug benefit plan for enrollees  
7 of the State Employee and Retiree Health and Welfare Benefits Program and  
8 offer prescription drug benefits to certain persons; requiring the Department to  
9 develop a preferred list of covered prescription drugs using a certain analysis;  
10 requiring, with a certain exception, persons participating in the Maryland Rx  
11 Program to bear a certain cost; authorizing the State to provide start-up funds  
12 for the Maryland Rx Program; authorizing the Department to charge a certain  
13 fee and contract with certain entities; defining certain terms; and generally  
14 relating to the establishment of a Maryland Rx Program.

15 BY adding to  
16 Article - Health - General  
17 Section 15-601 to be under the new subtitle "Subtitle 6. Maryland Rx Program"  
18 Annotated Code of Maryland  
19 (2000 Replacement Volume and 2004 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 **SUBTITLE 6. MARYLAND RX PROGRAM.**

24 15-601.

25 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
26 INDICATED.

27 (2) "MARYLAND RX PROGRAM" MEANS A PURCHASING POOL FOR  
28 PHARMACY BENEFITS THAT MEETS THE REQUIREMENTS OF THIS SECTION.

1 (3) "PERSON" MEANS A BUSINESS OR OTHER ENTITY OR AN INDIVIDUAL.

2 (B) THE DEPARTMENT SHALL ESTABLISH A MARYLAND RX PROGRAM THAT  
3 MAKES PRESCRIPTION DRUGS AVAILABLE AT REDUCED COST THROUGH:

4 (1) A PREFERRED LIST OF COVERED PRESCRIPTION DRUGS;

5 (2) REBATES FROM DRUG MANUFACTURERS; AND

6 (3) NEGOTIATED DISCOUNTS.

7 (C) THE MARYLAND RX PROGRAM SHALL:

8 (1) BE THE PRESCRIPTION DRUG BENEFIT PLAN FOR ENROLLEES OF  
9 THE STATE EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFITS PROGRAM;  
10 AND

11 (2) OFFER PRESCRIPTION DRUG BENEFITS TO ANY PERSON THAT  
12 SATISFIES THE CONDITIONS ESTABLISHED BY THE DEPARTMENT.

13 (D) THE DEPARTMENT SHALL DEVELOP THE PREFERRED LIST OF COVERED  
14 PRESCRIPTION DRUGS USING AN EVIDENCE-BASED ANALYSIS THAT:

15 (1) FIRST IDENTIFIES THE RELATIVE EFFECTIVENESS OF  
16 PRESCRIPTION DRUGS WITHIN THERAPEUTIC CLASSES FOR PARTICULAR DISEASES  
17 AND CONDITIONS; AND

18 (2) NEXT IDENTIFIES THE LEAST COSTLY PRESCRIPTION DRUGS,  
19 INCLUDING GENERIC DRUGS, AMONG THE DRUGS FOUND TO BE EQUALLY  
20 EFFECTIVE.

21 (E) (1) EXCEPT FOR THE STATE EMPLOYEE AND RETIREE HEALTH AND  
22 WELFARE BENEFITS PROGRAM, EACH PERSON PARTICIPATING IN THE MARYLAND RX  
23 PROGRAM SHALL BEAR THE COST OF DRUGS PURCHASED THROUGH THE PROGRAM.

24 (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE  
25 STATE MAY PROVIDE START-UP FUNDS FOR THE MARYLAND RX PROGRAM.

26 (F) THE DEPARTMENT MAY:

27 (1) CHARGE AN ADMINISTRATIVE FEE SUFFICIENT TO OFFSET ITS  
28 COSTS TO PERSONS THAT PARTICIPATE IN THE MARYLAND RX PROGRAM; AND

29 (2) CONTRACT WITH A PHARMACY BENEFIT MANAGER OR OTHER  
30 ENTITY TO ADMINISTER THE MARYLAND RX PROGRAM.

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