
By: **Senator Astle**

Introduced and read first time: January 28, 2005

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medbank Program - Fees**

3 FOR the purpose of providing that the Maryland Medbank Program shall be funded
4 through fees paid by enrollees; authorizing the Program to charge a fee, not to
5 exceed certain amounts, to offset the administrative costs of the Program;
6 prohibiting the Program from charging a fee to enrollees who can demonstrate
7 financial hardship; requiring the Department of Health and Mental Hygiene
8 and Medbank of Maryland, Inc. to report annually Program receipts and
9 expenditures, including the amount of any fees charged to enrollees; and
10 generally relating to fees in the Maryland Medbank Program.

11 BY repealing and reenacting, with amendments,
12 Article - Health - General
13 Section 15-124.2
14 Annotated Code of Maryland
15 (2000 Replacement Volume and 2004 Supplement)

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

18 **Article - Health - General**

19 15-124.2.

20 (a) In this section, "Program" means the Maryland Medbank Program
21 established under this section.

22 (b) There is a Maryland Medbank Program.

23 (c) The purpose of the Program is to improve the health status of individuals
24 throughout the State who lack prescription drug coverage by providing access to
25 medically necessary prescription drugs through patient assistance programs
26 sponsored by pharmaceutical drug manufacturers.

27 (d) (1) Subject to paragraph (2) of this subsection, the Program shall be
28 administered by the Medbank of Maryland, Inc.

1 (2) The Medbank of Maryland, Inc. shall contract with one or more
2 government or nonprofit entities to operate the Program.

3 (e) (1) The Program shall be funded through:

4 (I) [a] A grant provided by the Department; AND

5 (II) FEES PAID BY ENROLLEES.

6 (2) Program funds may be used in part to:

7 (i) Purchase interim supplies of prescription drugs for enrollees
8 who have applied to participate in a manufacturer's patient assistance program but
9 have not yet received the approved prescription drug; and

10 (ii) Distribute medication to enrollees who have been approved to
11 participate in a manufacturer's patient assistance program.

12 (3) THE PROGRAM:

13 (I) MAY CHARGE A FEE, NOT TO EXCEED \$20 PER MONTH OR \$240
14 PER YEAR, TO OFFSET THE ADMINISTRATIVE COSTS OF THE PROGRAM; AND

15 (II) MAY NOT CHARGE A FEE TO AN ENROLLEE WHO CAN
16 DEMONSTRATE FINANCIAL HARDSHIP.

17 (f) (1) The Medbank of Maryland, Inc. shall ensure that the Program is
18 available to residents in each of the following geographic regions of the State:

19 (i) Western Maryland;

20 (ii) The Eastern Shore;

21 (iii) The Baltimore metropolitan area;

22 (iv) The Maryland counties in the Washington, D.C. metropolitan
23 area; and

24 (v) Southern Maryland, including Anne Arundel County.

25 (2) Medbank of Maryland, Inc. shall be the central coordinating office for
26 the State.

27 (g) Eligibility for the Program shall be limited only by the criteria established
28 by pharmaceutical manufacturers for their patient assistance programs.

29 (h) (1) The Department shall require detailed financial reports at least
30 quarterly from Medbank of Maryland, Inc.

1 (2) The Medbank of Maryland, Inc. shall release funds to the entities
2 that operate the Program as needed and justified by the quarterly reports filed in
3 accordance with paragraph (1) of this subsection.

4 (i) On or before December 1, 2001, and annually thereafter, the Department
5 and Medbank of Maryland, Inc. shall report to the Governor and, in accordance with
6 § 2-1246 of the State Government Article, to the General Assembly, on the status of
7 the Maryland Medbank Program established under this section, including:

8 (1) The number and demographic characteristics of the State residents
9 served by the Program;

10 (2) The types and retail value of prescription drugs accessed through the
11 Program;

12 (3) The nature and extent of outreach performed to inform State
13 residents of the assistance available through the Program;[and]

14 (4) The total volume and retail value of each brand name drug, by
15 manufacturer, accessed through the Program; AND

16 (5) PROGRAM RECEIPTS AND EXPENDITURES, INCLUDING THE AMOUNT
17 OF ANY FEES CHARGED TO ENROLLEES.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
19 effect July 1, 2005.