
By: **Senators Kasemeyer, Hogan, Kramer, Lawlah, McFadden, Ruben, and Stone**

Introduced and read first time: February 1, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Employees and Retirees - State Prescription Drug Benefit Plan -**
 3 **Co-Payments**

4 FOR the purpose of establishing a certain limit on the amount of the co-payment that
 5 the State Prescription Drug Benefit Plan may charge enrollees for a certain
 6 prescription filled through the voluntary mail order option that the Plan is
 7 required to offer; making conforming and technical changes; and generally
 8 relating to prescription drug benefits for State employees and retirees.

9 BY repealing and reenacting, with amendments,
 10 Article - State Personnel and Pensions
 11 Section 2-502(c)
 12 Annotated Code of Maryland
 13 (2004 Replacement Volume and 2005 Supplement)

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

16 **Article - State Personnel and Pensions**

17 2-502.

18 (c) (1) Except as provided in paragraph (2) of this subsection, in fiscal years
 19 2006 and 2007, the Program shall provide the same health insurance benefits options,
 20 prescription drug benefit options, co-premiums and co-payments to employees and
 21 retirees and their dependents as provided on January 1, 2005.

22 (2) In fiscal years 2006 and 2007:

23 (i) the employee or retiree share of the premium for the employee
 24 or retiree and their dependents for the point of service health plan may increase to
 25 17%;

26 (ii) the Program may include disease management programs;

1 (iii) SUBJECT TO ITEM (V) OF THIS PARAGRAPH, the Prescription
 2 Drug Benefit Plan [shall offer a voluntary mail order option and the Prescription
 3 Drug Benefit Plan] may charge enrollees the following co-payments for prescription
 4 drugs:

- 5 1. \$5 for generic drugs;
- 6 2. \$15 for preferred drugs on the State formulary; and
- 7 3. \$25 for drugs that are not preferred drugs on the State
 8 formulary;

9 (iv) SUBJECT TO ITEM (V) OF THIS PARAGRAPH, the Prescription
 10 Drug Benefit Plan may charge a co-payment as provided in item (iii) of this
 11 [subsection] PARAGRAPH for each [45 day] 45-DAY prescription;

12 (V) THE PRESCRIPTION DRUG BENEFIT PLAN:

- 13 1. SHALL OFFER A VOLUNTARY MAIL ORDER OPTION TO
 14 ENROLLEES; AND
- 15 2. MAY CHARGE ENROLLEES A CO-PAYMENT NOT
 16 EXCEEDING \$20 FOR EACH 90-DAY PRESCRIPTION FILLED THROUGH THE
 17 VOLUNTARY MAIL ORDER OPTION;

18 [(v)] (VI) for each fiscal year, the total amount of co-payments
 19 charged the employee or retiree and their dependents as provided in [item] ITEMS
 20 (iii) AND (V) of this [subsection] PARAGRAPH may not exceed \$700; and

21 [(vi)] (VII) the Prescription Drug Benefit Plan may include the
 22 following programmatic changes:

- 23 1. implementation of a step therapy program to assure that
 24 lower cost alternatives are used first;
- 25 2. changes in the pharmacy network;
- 26 3. limitations on the first prescription for a maintenance
 27 drug;
- 28 4. limitations on the quantity of drugs dispensed to reduce
 29 inappropriate or excessive drug usage;
- 30 5. requirements for prior authorization of drugs to ensure
 31 that they are medically necessary; and
- 32 6. implementation of a drug utilization review program.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 34 July 1, 2006.