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

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Assigned to: Budget and Taxation

Committee Report: Favorable

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CHAPTER _____

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.

1 (2) In fiscal years 2006 and 2007:

2 (i) the employee or retiree share of the premium for the employee
3 or retiree and their dependents for the point of service health plan may increase to
4 17%;

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

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

10 1. \$5 for generic drugs;

11 2. \$15 for preferred drugs on the State formulary; and

12 3. \$25 for drugs that are not preferred drugs on the State
13 formulary;

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

17 (V) THE PRESCRIPTION DRUG BENEFIT PLAN:

18 1. SHALL OFFER A VOLUNTARY MAIL ORDER OPTION TO
19 ENROLLEES; AND

20 2. MAY CHARGE ENROLLEES A CO-PAYMENT NOT
21 EXCEEDING \$20 FOR EACH 90-DAY PRESCRIPTION FILLED THROUGH THE
22 VOLUNTARY MAIL ORDER OPTION;

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

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

28 1. implementation of a step therapy program to assure that
29 lower cost alternatives are used first;

30 2. changes in the pharmacy network;

31 3. limitations on the first prescription for a maintenance
32 drug;

33 4. limitations on the quantity of drugs dispensed to reduce
34 inappropriate or excessive drug usage;

