

HOUSE BILL 1033

C3

71r1490

By: **Delegates Taylor, Gutierrez, Kaiser, N. King, Manno, Montgomery, Oaks, Rice, ~~and Vaughn~~ Vaughn, Hammen, Beitzel, Benson, Bromwell, Costa, Donoghue, Elliott, Hubbard, Kach, Kipke, Kullen, McDonough, Mizeur, Morhaim, Nathan-Pulliam, Pena-Melnyk, Pendergrass, V. Turner, and Weldon**

Introduced and read first time: February 9, 2007

Assigned to: Health and Government Operations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 14, 2007

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Prescription Drugs and Devices – Copayment or**
3 **Coinsurance**

4 FOR the purpose of prohibiting certain insurers, nonprofit health service plans, and
5 health maintenance organizations from imposing a copayment or coinsurance
6 requirement for a covered prescription drug or device that exceeds the retail
7 price of the prescription drug or device; making certain provisions of law
8 applicable to health maintenance organizations; and generally relating to
9 copayments and coinsurance for prescription drugs and devices.

10 BY adding to

11 Article – Health – General

12 Section 19–706(jjj)

13 Annotated Code of Maryland

14 (2005 Replacement Volume and 2006 Supplement)

15 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Insurance
2 Section 15–842
3 Annotated Code of Maryland
4 (2006 Replacement Volume and 2006 Supplement)

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

7 **Article – Health – General**

8 **19–706.**

9 **(JJJ) THE PROVISIONS OF § 15–842 OF THE INSURANCE ARTICLE APPLY**
10 **TO HEALTH MAINTENANCE ORGANIZATIONS.**

11 **Article – Insurance**

12 **15–842.**

13 **(A) (1) THIS SECTION APPLIES TO:**

14 **(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS**
15 **THAT PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER**
16 **HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR DELIVERED**
17 **IN THE STATE; AND**

18 **(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE**
19 **COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER CONTRACTS THAT**
20 **ARE ISSUED OR DELIVERED IN THE STATE.**

21 **(2) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH**
22 **MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR PRESCRIPTION**
23 **DRUGS AND DEVICES THROUGH A PHARMACY BENEFIT MANAGER IS SUBJECT TO**
24 **THE REQUIREMENTS OF THIS SECTION.**

25 **(B) AN ENTITY SUBJECT TO THIS SECTION MAY NOT IMPOSE A**
26 **COPAYMENT OR COINSURANCE REQUIREMENT FOR A COVERED PRESCRIPTION**
27 **DRUG OR DEVICE THAT EXCEEDS THE RETAIL PRICE OF THE PRESCRIPTION**
28 **DRUG OR DEVICE.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.