

## CHAPTER 638

(House Bill 1033)

AN ACT concerning

### **Health Insurance – Prescription Drugs and Devices – Copayment or Coinsurance**

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

BY adding to

Article – Health – General

Section 19–706(jjj)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY adding to

Article – Insurance

Section 15–842

Annotated Code of Maryland

(2006 Replacement Volume and 2006 Supplement)

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

### **Article – Health – General**

#### **19–706.**

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

### **Article – Insurance**

#### **15–842.**

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

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

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

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

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

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

**Approved by the Governor, May 17, 2007.**