

**HB0589/676183/1**

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 589

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, at the top of the page, insert “EMERGENCY BILL”; in the sponsor line, strike “and Kipke” and substitute “, Kipke, Pendergrass, Pena–Melnyk, Bagnall, Bhandari, Carr, Charles, Chisholm, Cullison, Hill, Johnson, Kelly, Kerr, Krebs, R. Lewis, Metzgar, Morgan, Rosenberg, Saab, Sample-Hughes, Szeliga, and K. Young”; in line 3, strike “Reimbursement Requirements” and substitute “Audit and Professional Dispensing Fees”; strike beginning with “establish” in line 4 down through “fee” in line 10 and substitute “enter into a certain contract as soon as practicable for a certain audit of certain managed care organizations; requiring a certain auditor to be provided with access to certain documents and information; requiring the Program to provide the results of the audit to the General Assembly on or before a certain date; requiring the Maryland Department of Health, in consultation with the Maryland Insurance Administration, to develop and report certain recommendations to the General Assembly on or before a certain date; authorizing the Department to apply to the Centers for Medicare and Medicaid Services for certain authority as soon as practicable but not later than a certain date; making this Act an emergency measure; providing for the termination of certain provisions of this Act”; and strike in their entirety lines 12 through 26, inclusive.

AMENDMENT NO. 2

On page 2, in line 1, strike “the Laws of Maryland read as follows”; strike in their entirety, lines 2 through 33, inclusive, and substitute:

“(a) The Maryland Medical Assistance Program shall enter into a contract with an independent auditor as soon as practicable to conduct an audit of pharmacy benefits managers that contract with managed care organizations for the purpose of determining the amount of Medicaid funds used to reimburse managed care organizations, pharmacy

(Over)

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benefits managers, and pharmacies and the dollar amount of funds received by each respective party.

(b) The independent auditor shall be provided with access to the following documents and information by either the managed care organization, the pharmacy benefits manager, or the pharmacy:

(1) contracts between the managed care organization and the pharmacy benefits manager;

(2) contracts between the pharmacy benefits manager and pharmacies receiving reimbursement;

(3) full encounter claims data showing the amount the managed care organization paid the pharmacy benefits manager;

(4) full encounter claims data showing the amount that was paid to the pharmacies by the pharmacy benefits managers;

(5) information requested from the pharmacy benefits manager or the pharmacy via questionnaire by the auditor; and

(6) any additional information required by the auditor to determine the actual reimbursement to the managed care organizations, pharmacy benefits managers, and pharmacies.

(c) On or before December 1, 2019, the Maryland Medical Assistance Program shall provide the results of the audit to the General Assembly, in accordance with § 2-1246 of the State Government Article.

(d) As soon as practicable but not later than January 1, 2020, the Maryland Department of Health, in consultation with the Maryland Insurance Administration,

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shall develop recommendations for establishing a process for appealing decisions made in accordance with contracts between a pharmacy benefits manager and a managed care organization and, in accordance with § 2-1246 of the State Government Article, report the recommendations to the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That, as soon as practicable but not later than July 1, 2020, the Maryland Department of Health may apply to the Centers for Medicare and Medicaid Services for the appropriate authority, subject to the limitations of the State budget, to provide professional dispensing fees or other measures for pharmacies based on volume of prescriptions and geographic designation or such other factors as determined by the Department in order to ensure access to pharmacy services.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. Section 2 of this Act shall remain effective through July 1, 2021, and, at the end of July 1, 2021, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.”.