

HOUSE BILL 462

J2
HB 696/19 – HGO

2lr1377
CF SB 159

By: **Delegates Pena–Melnyk, Bagnall, Lehman, Shetty, Terrasa, and K. Young**
Introduced and read first time: January 21, 2022
Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Occupations – Authorized Prescribers – Reporting of Financial**
3 **Gratuities or Incentives**

4 FOR the purpose of requiring each authorized prescriber who receives a financial gratuity
5 or incentive from a pharmaceutical distributor or manufacturer to file a disclosure
6 form with a certain health occupations board within a certain period of time to be
7 used for a certain purpose; and generally relating to disclosures by authorized
8 prescribers filed with health occupations boards.

9 BY adding to
10 Article – Health Occupations
11 Section 1–227
12 Annotated Code of Maryland
13 (2021 Replacement Volume)

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

16 **Article – Health Occupations**

17 **1–227.**

18 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
19 **INDICATED.**

20 **(2) “AUTHORIZED PRESCRIBER” MEANS ANY LICENSED DENTIST,**
21 **LICENSED PHYSICIAN, LICENSED PODIATRIST, ADVANCED PRACTICE NURSE WITH**
22 **PRESCRIPTIVE AUTHORITY UNDER § 8–508 OF THIS ARTICLE, OR ANY OTHER**
23 **INDIVIDUAL AUTHORIZED BY LAW TO PRESCRIBE PRESCRIPTION OR**
24 **NONPRESCRIPTION DRUGS OR DEVICES.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(3) (I) “FINANCIAL GRATUITY OR INCENTIVE” MEANS THE**
2 **PROVISION OR PAYMENT OF ANYTHING OF VALUE IN EXCHANGE FOR THE**
3 **PROMOTION OR PURCHASE OF PRODUCTS OR SERVICES.**

4 **(II) “FINANCIAL GRATUITY OR INCENTIVE” INCLUDES:**

- 5 1. **CASH PAYMENT;**
- 6 2. **A SPEAKING AGREEMENT;**
- 7 3. **A CONSULTING AGREEMENT;**
- 8 4. **A PHYSICIAN OWNERSHIP AGREEMENT;**
- 9 5. **AN AGREEMENT FOR STOCK OPTIONS;**
- 10 6. **AN AGREEMENT FOR A RESEARCH GRANT OR**
11 **CLINICAL TRIAL;**
- 12 7. **A ROYALTY AGREEMENT;**
- 13 8. **AN AGREEMENT FOR A FELLOWSHIP;**
- 14 9. **AN AGREEMENT FOR CONFERENCE ATTENDANCE;**
15 **AND**
- 16 10. **AN EXCLUSIVE PRODUCT LOYALTY AGREEMENT.**

17 **(B) EACH AUTHORIZED PRESCRIBER WHO RECEIVES A FINANCIAL**
18 **GRATUITY OR INCENTIVE FROM A PHARMACEUTICAL DISTRIBUTOR OR**
19 **MANUFACTURER SHALL FILE WITH THE HEALTH OCCUPATIONS BOARD THAT**
20 **LICENSES THE AUTHORIZED PRESCRIBER A FINANCIAL DISCLOSURE FORM**
21 **REQUIRED BY THE HEALTH OCCUPATIONS BOARD WITHIN 30 DAYS AFTER THE DATE**
22 **THE FINANCIAL GRATUITY OR INCENTIVE IS RECEIVED BY THE AUTHORIZED**
23 **PRESCRIBER.**

24 **(C) THE INFORMATION DISCLOSED BY THE AUTHORIZED PRESCRIBER ON**
25 **THE FORM UNDER SUBSECTION (B) OF THIS SECTION:**

26 **(1) MAY BE USED BY A HEALTH OCCUPATIONS BOARD ONLY TO AUDIT,**
27 **INVESTIGATE, OR TAKE DISCIPLINARY ACTION AGAINST THE AUTHORIZED**
28 **PRESCRIBER; AND**

1 **(2) MAY NOT BE DISCLOSED TO THE PUBLIC.**

2 **(D) IF AN AUTHORIZED PRESCRIBER WILLFULLY FAILS TO FILE A**
3 **FINANCIAL DISCLOSURE FORM AS REQUIRED BY SUBSECTION (B) OF THIS SECTION,**
4 **THE HEALTH OCCUPATIONS BOARD MAY IMPOSE A FINE NOT TO EXCEED \$1,000 PER**
5 **VIOLATION.**

6 **(E) A HEALTH OCCUPATIONS BOARD SHALL ADOPT REGULATIONS TO**
7 **IMPLEMENT THIS SECTION.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
9 apply only prospectively and may not be applied or interpreted to have any effect on or
10 application to any financial gratuity or incentive received before the effective date of this
11 Act.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2022.