HOUSE BILL 1397

By: Delegates Pena–Melnyk, Bagnall, B. Barnes, Carey, Charles, Henson, Howell, Landis, Lehman, Reznik, Valderrama, and Valentino–Smith

Introduced and read first time: February 17, 2022
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

AN ACT concerning

Health Insurance – Prescription Insulin Drugs – Limits on Copayment and Coinsurance
(Insulin Cost Reduction Act)

FOR the purpose of requiring certain insurers, nonprofit health service plans, and health maintenance organizations to limit the amount a covered individual is required to pay in copayments or coinsurance for a covered prescription insulin drug to a certain amount; and generally relating to coverage for prescription insulin drugs under health insurance.

BY adding to

Article – Insurance
Section 15–822.1
Annotated Code of Maryland
(2017 Replacement Volume and 2021 Supplement)

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

Article – Insurance

15–822.1.

(A) (1) THIS SECTION APPLIES TO:

(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES TO INDIVIDUALS OR GROUPS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE DELIVERED IN THE STATE; AND

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE
COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES TO INDIVIDUALS OR GROUPS
UNDER CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

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

(B) AN ENTITY SUBJECT TO THIS SECTION SHALL LIMIT THE AMOUNT A
COVERED INDIVIDUAL IS REQUIRED TO PAY IN COPAYMENTS OR COINSURANCE FOR
A COVERED PRESCRIPTION INSULIN DRUG TO NOT MORE THAN $30 FOR A 30-DAY
SUPPLY, REGARDLESS OF THE AMOUNT OR TYPE OF INSULIN NEEDED TO FILL THE
COVERED INDIVIDUAL’S PRESCRIPTION.

(C) AN ENTITY SUBJECT TO THIS SECTION MAY SET THE AMOUNT A
COVERED INDIVIDUAL IS REQUIRED TO PAY TO AN AMOUNT THAT IS LESS THAN THE
PAYMENT AMOUNT LIMIT UNDER SUBSECTION (B) OF THIS SECTION.

(D) A CONTRACT BETWEEN AN ENTITY SUBJECT TO THIS SECTION, OR A
PHARMACY BENEFITS MANAGER THROUGH WHICH THE ENTITY PROVIDES
COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES, AND A PHARMACY OR THE
PHARMACY’S CONTRACTING AGENT, MAY NOT:

(1) AUTHORIZE A PARTY TO THE CONTRACT TO CHARGE A COVERED
INDIVIDUAL AN AMOUNT THAT IS MORE THAN THE PAYMENT AMOUNT LIMIT UNDER
SUBSECTION (B) OF THIS SECTION;

(2) REQUIRE A PHARMACY TO COLLECT FROM A COVERED
INDIVIDUAL AN AMOUNT THAT IS MORE THAN THE PAYMENT AMOUNT LIMIT UNDER
SUBSECTION (B) OF THIS SECTION; OR

(3) REQUIRE A COVERED INDIVIDUAL TO PAY AN AMOUNT THAT IS
MORE THAN THE PAYMENT AMOUNT LIMIT UNDER SUBSECTION (B) OF THIS
SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
POLICIES, CONTRACTS, AND HEALTH BENEFIT PLANS ISSUED, DELIVERED, OR RENEWED IN THE STATE ON OR
AFTER JANUARY 1, 2023.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
JANUARY 1, 2023.