

# SENATE BILL 1004

J5

2lr3301

---

By: **Senator Eckardt**

Introduced and read first time: February 25, 2022

Assigned to: Rules

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Pharmacy Benefits Managers – Reimbursement Amounts**

3 FOR the purpose of altering how a pharmacy benefits manager may determine  
4 reimbursement for a pharmacy or pharmacist; authorizing the Maryland Insurance  
5 Commissioner to require a pharmacy benefits manager to pay a certain fee in  
6 addition to the required reimbursement amount to a pharmacy or a pharmacist and  
7 to adopt regulations that include a process for reviewing and recalculating the  
8 reimbursement amount; and generally relating to pharmacy benefits managers and  
9 reimbursement for prescription drugs and pharmacy services.

10 BY repealing and reenacting, with amendments,

11 Article – Insurance

12 Section 15–1628.3

13 Annotated Code of Maryland

14 (2017 Replacement Volume and 2021 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

16 That the Laws of Maryland read as follows:

17 **Article – Insurance**

18 15–1628.3.

19 (a) A pharmacy benefits manager or a carrier may not directly or indirectly  
20 charge a contracted pharmacy, or hold a contracted pharmacy responsible for, a fee or  
21 performance–based reimbursement related to the adjudication of a claim or an incentive  
22 program.

23 (b) A pharmacy benefits manager or carrier may not make or allow any reduction  
24 in payment for pharmacy services by a pharmacy benefits manager or carrier or directly or  
25 indirectly reduce a payment for a pharmacy service under a reconciliation process to an

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 effective rate of reimbursement, including generic effective rates, brand effective rates,  
2 direct and indirect remuneration fees, or any other reduction or aggregate reduction of  
3 payments.

4       **(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A**  
5 **PHARMACY BENEFITS MANAGER MAY NOT REIMBURSE A PHARMACY OR**  
6 **PHARMACIST FOR A PRESCRIPTION DRUG OR PHARMACY SERVICE IN AN AMOUNT**  
7 **LESS THAN THE NATIONAL AVERAGE DRUG ACQUISITION COST FOR THE**  
8 **PRESCRIPTION DRUG OR PHARMACY SERVICE AT THE TIME THE DRUG IS**  
9 **ADMINISTERED OR DISPENSED PLUS 10% OF THAT COST.**

10       **(2) IF THE NATIONAL AVERAGE DRUG ACQUISITION COST IS NOT**  
11 **AVAILABLE AT THE TIME A DRUG IS ADMINISTERED OR DISPENSED, A PHARMACY**  
12 **BENEFITS MANAGER MAY NOT REIMBURSE IN AN AMOUNT THAT IS LESS THAN THE**  
13 **WHOLESALE ACQUISITION COST OF THE DRUG, AS DEFINED IN 42 U.S.C. §**  
14 **1395W-3A(C)(6)(B).**

15       **(3) THE COMMISSIONER MAY:**

16               **(I) REQUIRE THAT A PHARMACY BENEFITS MANAGER PAY A**  
17 **FEE, TO BE DETERMINED BY THE COMMISSIONER, IN ADDITION TO THE**  
18 **REIMBURSEMENT AMOUNT REQUIRED UNDER THIS SUBSECTION; AND**

19               **(II) ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION**  
20 **THAT INCLUDE A PROCESS FOR PERIODICALLY REVIEWING AND RECALCULATING**  
21 **THE REIMBURSEMENT AMOUNT UNDER THIS SUBSECTION.**

22       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2022.