SB0515/123128/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 515
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with "prohibiting" in line 3 down through "condition;" in line 6; in line 8, after "protocol;" insert "prohibiting certain insurers, nonprofit health service plans, health maintenance organizations, and pharmacy benefits managers from requiring more than a certain number of prior authorizations for a prescription for different dosages of the same prescription drug; requiring a private review agent to make a determination on a step therapy exception request or prior authorization request submitted electronically within a certain period of time;"; in line 9, after "protocols" insert "and prior authorizations"; in line 12, after "15–142" insert "and 15–10B–06(a)"; and after line 14, insert:

"BY repealing and reenacting, without amendments,
Article - Insurance
Section 15-854(a)
Annotated Code of Maryland
(2017 Replacement Volume and 2022 Supplement)

BY adding to
Article - Insurance
Section 15-854(g)
Annotated Code of Maryland
(2017 Replacement Volume and 2022 Supplement)".

AMENDMENT NO. 2

On page 3, in lines 14, 16, 17, and 21, strike "**(I)**", "**(II)**", "**1.**", and "**2.**", respectively; in lines 16, 17, and 21, strike the brackets; strike beginning with "**; OR**" in

line 21 down through "**ACTIVITIES**" in line 27; and in line 32, after "**DOCUMENTATION**" insert "**, IF NEEDED,**".

On page 4, in line 6, after "**PRESCRIBER**" insert "**AND ANY INFORMATION AND DOCUMENTATION REQUIRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION**"; in line 8, strike "**, PHYSICAL HARM, OR MENTAL HARM**"; and strike in their entirety lines 25 through 31, inclusive.

On page 5, strike in their entirety lines 1 through 8, inclusive; after line 8, insert:

"**(3) ON GRANTING A STEP THERAPY EXCEPTION REQUEST, AN ENTITY SUBJECT TO THIS SECTION SHALL AUTHORIZE COVERAGE FOR THE PRESCRIPTION DRUG ORDERED BY THE PRESCRIBER FOR AN INSURED OR ENROLLEE.**

(4) AN ENROLLEE OR INSURED MAY APPEAL A STEP THERAPY EXCEPTION REQUEST DENIAL IN ACCORDANCE WITH SUBTITLE 10A OR SUBTITLE 10B OF THIS TITLE.";

in line 9, strike "**PREVENT**"; in line 10, after "**(I)**" insert "**PREVENT:**

1.";

in line 14, strike "**(II)**" and substitute "**2.**"; and in line 15, after "**APPROPRIATE**" insert "**; OR**

(II) REQUIRE AN ENTITY SUBJECT TO THIS SECTION TO PROVIDE COVERAGE FOR A PRESCRIPTION DRUG THAT IS NOT COVERED BY A POLICY OR CONTRACT OF THE ENTITY".

AMENDMENT NO. 3

On page 5, after line 18, insert:

"15–854.

(a) (1) This section applies to:

(i) insurers and nonprofit health service plans that provide coverage for prescription drugs through a pharmacy benefit under individual, group, or blanket health insurance policies or contracts that are issued or delivered in the State; and

(ii) health maintenance organizations that provide coverage for prescription drugs through a pharmacy benefit under individual or group 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 through a pharmacy benefits manager or that contracts with a private review agent under Subtitle 10B of this article is subject to the requirements of this section.

(3) This section does not apply to a managed care organization as defined in § 15–101 of the Health – General Article.

(G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN ENTITY SUBJECT TO THIS SECTION MAY NOT REQUIRE MORE THAN ONE PRIOR AUTHORIZATION IF TWO OR MORE TABLETS OF DIFFERENT DOSAGE STRENGTHS OF THE SAME PRESCRIPTION DRUG ARE:

(I) PRESCRIBED AT THE SAME TIME AS PART OF AN INSURED'S TREATMENT PLAN; AND

(II) MANUFACTURED BY THE SAME MANUFACTURER.

(2) THIS SUBSECTION DOES NOT PROHIBIT AN ENTITY FROM REQUIRING MORE THAN ONE PRIOR AUTHORIZATION IF THE PRESCRIPTION IS FOR TWO OR MORE TABLETS OF DIFFERENT DOSAGE STRENGTHS OF AN OPIOID THAT IS NOT AN OPIOID PARTIAL AGONIST.

15–10B–06.

(a) (1) **[**A**]** **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, A** private review agent shall:

(i) make all initial determinations on whether to authorize or certify a nonemergency course of treatment for a patient within 2 working days after receipt of the information necessary to make the determination;

(ii) make all determinations on whether to authorize or certify an extended stay in a health care facility or additional health care services within 1 working day after receipt of the information necessary to make the determination; and

(iii) promptly notify the health care provider of the determination.

(2) If within 3 calendar days after receipt of the initial request for health care services the private review agent does not have sufficient information to make a determination, the private review agent shall inform the health care provider that additional information must be provided.

(3) If a private review agent requires prior authorization for an emergency inpatient admission, or an admission for residential crisis services as defined

in § 15–840 of this title, for the treatment of a mental, emotional, or substance abuse disorder, the private review agent shall:

(i) make all determinations on whether to authorize or certify an inpatient admission, or an admission for residential crisis services as defined in § 15–840 of this title, within 2 hours after receipt of the information necessary to make the determination; and

(ii) promptly notify the health care provider of the determination.

(4) FOR A STEP THERAPY EXCEPTION REQUEST SUBMITTED ELECTRONICALLY IN ACCORDANCE WITH A PROCESS ESTABLISHED UNDER § 15–142(F) OF THIS TITLE OR A PRIOR AUTHORIZATION REQUEST SUBMITTED ELECTRONICALLY FOR PHARMACEUTICAL SERVICES, A PRIVATE REVIEW AGENT SHALL MAKE A DETERMINATION:

(I) IN REAL TIME IF:

1. NO ADDITIONAL INFORMATION IS NEEDED BY THE PRIVATE REVIEW AGENT TO PROCESS THE REQUEST; AND

2. THE REQUEST MEETS THE PRIVATE REVIEW AGENT'S CRITERIA FOR APPROVAL; OR

(II) IF A REQUEST IS NOT APPROVED UNDER ITEM (I) OF THIS PARAGRAPH, WITHIN 1 BUSINESS DAY AFTER THE PRIVATE REVIEW AGENT RECEIVES ALL OF THE INFORMATION NECESSARY TO MAKE THE DETERMINATION.".