HB0876/273327/1

BY: Health and Government Operations Committee

<u>AMENDMENTS TO HOUSE BILL 876</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and A. Johnson" and substitute "<u>, A.</u> Johnson, Alston, Bagnall, Bhandari, Chisholm, Cullison, Guzzone, Hill, Hutchinson, Kaiser, Kerr, Kipke, R. Lewis, Lopez, Martinez, M. Morgan, Pena-Melnyk, Reilly, Rosenberg, Szeliga, Taveras, White Holland, and Woods"; in lines 2 and 3, strike "Dispensed by a Physician"; strike beginning with "pharmacy" in line 4 down through "service;" in line 10 and substitute "insurers, nonprofit health service plans, and health maintenance organizations from excluding coverage for certain specialty drugs that are administered or dispensed by a provider that meets certain criteria; requiring the reimbursement rate for certain specialty drugs to meet "15–1611.1" insert a comma; and after line 16, insert:

"<u>BY adding to</u>

<u>Article – Insurance</u> <u>Section 15–847.2</u> <u>Annotated Code of Maryland</u> (2017 Replacement Volume and 2023 Supplement)".

AMENDMENT NO. 2

On page 1, after line 19, insert:

"<u>15–847.</u>

(d) <u>Subject to § 15–805 of this subtitle [and], notwithstanding § 15–806 of this</u> <u>subtitle</u>, [nothing in] AND EXCEPT AS PROVIDED IN § 15–847.2(D) OF THIS TITLE, this article or regulations adopted under this article [precludes] DO NOT PRECLUDE

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an entity subject to this section from requiring a covered specialty drug to be obtained through:

(1) <u>a designated pharmacy or other source authorized under the Health</u> Occupations Article to dispense or administer prescription drugs; or

(2) <u>a pharmacy participating in the entity's provider network, if the</u> <u>entity determines that the pharmacy:</u>

- (i) meets the entity's performance standards; and
- (ii) accepts the entity's network reimbursement rates.

<u>15-847.2.</u>

(A) (1) THIS SECTION APPLIES TO:

(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE COVERAGE FOR PRESCRIPTION DRUGS 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 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 IS SUBJECT TO THE REQUIREMENTS OF THIS SECTION. HB0876/273327/01 Health and Government Operations Committee Amendments to HB 876 Page 3 of 4

(B) <u>AN ENTITY SUBJECT TO THIS SECTION MAY NOT EXCLUDE COVERAGE</u> FOR A COVERED SPECIALTY DRUG ADMINISTERED OR DISPENSED BY A PROVIDER UNDER § 12–102 OF THE HEALTH OCCUPATIONS ARTICLE, IF THE ENTITY DETERMINES THAT:

(1) THE PROVIDER THAT ADMINISTERS OR DISPENSES THE COVERED SPECIALTY DRUG:

(I) IS AN IN-NETWORK PROVIDER OF COVERED MEDICAL ONCOLOGY SERVICES; AND

(II) <u>COMPLIES WITH STATE REGULATIONS FOR THE</u> <u>ADMINISTERING AND DISPENSING OF SPECIALTY MEDICATION; AND</u>

(2) THE COVERED SPECIALTY DRUG IS:

(I) INFUSED, AUTO–INJECTED, OR AN ORAL TARGETED IMMUNE MODULATOR; OR

(II) AN ORAL MEDICATION THAT:

1.REQUIRES COMPLEX DOSING BASED ON CLINICALPRESENTATION; OR

2. IS USED CONCOMITANTLY WITH OTHER INFUSION OR RADIATION THERAPIES.

(Over)

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(C) THE REIMBURSEMENT RATE FOR DRUGS COVERED UNDER THIS SECTION SHALL BE:

(1) AT THE SAME RATE AS THE RATE APPLICABLE TO A DESIGNATED SPECIALTY PHARMACY FOR DISPENSING THE COVERED SPECIALTY DRUGS; AND

(2) BILLED AT A NONHOSPITAL LEVEL OF CARE OR PLACE OF SERVICE.

(D) THIS SECTION DOES NOT PROHIBIT AN ENTITY SUBJECT TO THIS SECTION FROM REFUSING TO AUTHORIZE OR APPROVE OR FROM DENYING COVERAGE OF A COVERED SPECIALTY DRUG ADMINISTERED OR DISPENSED BY A PROVIDER IF ADMINISTERING OR DISPENSING THE DRUG FAILS TO SATISFY MEDICAL NECESSITY CRITERIA.".

AMENDMENT NO. 3

On page 2, in line 5, strike "SUBSECTION (D) OF THIS SECTION" and substitute "<u>§ 15–847.2 OF THIS TITLE</u>"; strike in their entirety lines 8 through 21, inclusive; in lines 25, 27, and 28, strike "(1)", "(I)", and "(II)", respectively; in lines 25, 27, and 28, in each instance, strike the bracket; strike beginning with "EXCEPT" in line 25 down through "THIS" in line 26; and in line 27, before "for" insert "EXCEPT AS PROVIDED IN § 15–847.2 OF THIS TITLE,".

On page 3, in line 1, strike the brackets; in the same line, strike "(III)"; and strike in their entirety lines 3 through 5, inclusive.