

HOUSE BILL 970

J5, J4

(5lr2851)

ENROLLED BILL

— Health and Government Operations/Finance —

Introduced by **Delegates Woods, Alston, Bagnall, Bhandari, Chisholm, Davis, Fisher, Ghrist, Guzzone, Harris, Harrison, Kaufman, Kerr, J. Long, Lopez, Martinez, McCaskill, M. Morgan, Patterson, Roberts, Rosenberg, Schmidt, Simmons, Szeliga, Taveras, Taylor, Terrasa, ~~and Wilkins~~ Wilkins, Cullison, Hill, Hutchinson, S. Johnson, Kaiser, Kipke, Pena-Melnyk, Reilly, Ross, White Holland, and Woorman**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Health Insurance – Insulin – Prohibition on Step Therapy or Fail-First**
3 **Protocols**

4 FOR the purpose of prohibiting certain insurers, nonprofit health service plans, and health
5 maintenance organizations from imposing a step therapy or fail-first protocol on
6 insulin or an insulin analog ~~or certain other similar medications~~ used to treat an
7 insured's or enrollee's diabetes; and generally relating to use of step therapy and
8 fail-first protocols.

9 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Article – Insurance
2 Section 15–142(a)(1) and (4) and (b)
3 Annotated Code of Maryland
4 (2017 Replacement Volume and 2024 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article – Insurance
7 Section 15–142(e)
8 Annotated Code of Maryland
9 (2017 Replacement Volume and 2024 Supplement)

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

12 **Article – Insurance**

13 15–142.

14 (a) (1) In this section the following words have the meanings indicated.

15 (4) (i) “Step therapy or fail–first protocol” means a protocol established
16 by an insurer, a nonprofit health service plan, or a health maintenance organization that
17 requires a prescription drug or sequence of prescription drugs to be used by an insured or
18 an enrollee before a prescription drug ordered by a prescriber for the insured or the enrollee
19 is covered.

20 (ii) “Step therapy or fail–first protocol” includes a protocol that
21 meets the definition under subparagraph (i) of this paragraph regardless of the name, label,
22 or terminology used by the insurer, nonprofit health service plan, or health maintenance
23 organization to identify the protocol.

24 (b) (1) This section applies to:

25 (i) insurers and nonprofit health service plans that provide hospital,
26 medical, or surgical benefits to individuals or groups on an expense–incurred basis under
27 health insurance policies or contracts that are issued or delivered in the State; and

28 (ii) health maintenance organizations that provide hospital,
29 medical, or surgical benefits to individuals or groups under contracts that are issued or
30 delivered in the State.

31 (2) An insurer, a nonprofit health service plan, or a health maintenance
32 organization that provides coverage for prescription drugs through a pharmacy benefits
33 manager is subject to the requirements of this section.

1 (e) An entity subject to this section may not impose a step therapy or fail-first
 2 protocol on an insured or an enrollee for a prescription drug approved by the U.S. Food and
 3 Drug Administration if:

4 (1) (I) the prescription drug is used to treat the insured's or enrollee's
 5 stage four advanced metastatic cancer; and

6 [(2)] (II) use of the prescription drug is:

7 [(i)] 1. consistent with the U.S. Food and Drug
 8 Administration-approved indication or the National Comprehensive Cancer Network
 9 Drugs & Biologics Compendium indication for the treatment of stage four advanced
 10 metastatic cancer; and

11 [(ii)] 2. supported by peer-reviewed medical literature; OR

12 (2) THE PRESCRIPTION DRUG IS:

13 ~~(H)~~ INSULIN OR AN INSULIN ANALOG USED TO TREAT THE
 14 INSURED'S OR ENROLLEE'S TYPE 1, TYPE 2, OR GESTATIONAL DIABETES;~~AND~~

15 ~~(H)~~ ~~1. INSULIN; OR~~

16 ~~2. AN INSULIN ANALOG OR OTHER PRESCRIPTION DRUG~~
 17 ~~THAT PERFORMS A SIMILAR FUNCTION TO INSULIN, REGARDLESS OF THE~~
 18 ~~ACTIVATION PERIOD, WHETHER THE SOLUTION IS MIXED BEFORE OR AFTER~~
 19 ~~DISPENSING, OR WHETHER THE DRUG IS ADMINISTERED BY INJECTION OR~~
 20 ~~INHALATION.~~

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
 22 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or
 23 after January 1, 2026.

24 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 25 January 1, 2026.