

# SENATE BILL 306

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By: **Senator Beidle**

Introduced and read first time: January 13, 2025

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2025

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Workers' Compensation – Prescription Drug and Pharmaceutical Services –**  
3 **Reimbursements**

4 FOR the purpose of requiring the State Workers' Compensation Commission to regulate  
5 fees and other charges for the reimbursement of prescription drugs and  
6 pharmaceutical services under certain circumstances; limiting reimbursements to a  
7 certain cost index or indexes; requiring the Maryland Prescription Drug Affordability  
8 Board to conduct a certain study; and generally relating to reimbursement for  
9 prescription drugs and pharmaceutical services under workers' compensation law.

10 BY repealing and reenacting, with amendments,  
11 Article – Labor and Employment  
12 Section 9–663  
13 Annotated Code of Maryland  
14 (2016 Replacement Volume and 2024 Supplement)

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

17 **Article – Labor and Employment**

18 9–663.

19 (a) (1) The Commission shall adopt regulations setting standards for the  
20 assessment of fines under § 9–664 of this Part IX of this subtitle.

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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.



1 (2) The Commission may adopt regulations about:

2 (i) the provision of medicine and medical, nursing, and hospital  
3 services to a covered employee;

4 (ii) payment for the medicine and services; and

5 (iii) the exercise by the Chairman of the Commission of the powers  
6 granted under § 9–662 of this subtitle.

7 (b) (1) The Commission may regulate fees and other charges for medical  
8 services or treatment under this subtitle.

9 (2) (I) ~~THE~~ NOT LATER THAN SEPTEMBER 1, 2026, THE  
10 COMMISSION SHALL REGULATE FEES AND OTHER CHARGES FOR THE  
11 REIMBURSEMENT OF PRESCRIPTION DRUGS AND PHARMACEUTICAL SERVICES  
12 UNDER THIS SUBTITLE PROVIDED BY A PERSON WHO HOLDS A PHARMACY PERMIT  
13 UNDER TITLE 12, SUBTITLE 4 OF THE HEALTH OCCUPATIONS ARTICLE.

14 (II) REIMBURSEMENT UNDER SUBPARAGRAPH (I) OF THIS  
15 PARAGRAPH SHALL BE LIMITED TO AN INDEX OR INDEXES BASED ON ACQUISITION  
16 COST, CALCULATED ON A PER UNIT BASIS, AS OF THE DATE OF DISPENSING AND MAY  
17 INCLUDE:

18 1. REASONABLE DISPENSING FEES; AND

19 2. ANY OTHER PERCENTAGE INCREASE OR DECREASE  
20 DETERMINED BY THE COMMISSION.

21 (III) THIS PARAGRAPH DOES NOT PROHIBIT AN INSURANCE  
22 CARRIER OR EMPLOYER FROM CONTRACTING WITH A PHARMACY BENEFITS  
23 MANAGER, A NETWORK OF PHARMACIES, OR DISPENSING PROVIDERS:

24 1. FOR REIMBURSEMENT RATES DIFFERENT THAN  
25 THOSE ESTABLISHED BY THE COMMISSION; OR

26 2. TO USE A PRICING INDEX OR INDEXES DIFFERENT  
27 THAN THOSE SELECTED BY THE COMMISSION.

28 (3) Each fee or other charge for medical service or treatment under this  
29 subtitle is limited to the amount that prevails in the same community for similar treatment  
30 of an injured individual with a standard of living that is comparable to that of the covered  
31 employee.

1            [(3)] (4)        At least once every 2 years, the Commission shall:

2                            (i)        review its guide of medical and surgical fees for completeness and  
3        reasonableness; and

4                            (ii)        make appropriate revisions to the guide of medical and surgical  
5        fees.

6            SECTION 2. AND BE IT FURTHER ENACTED, That:

7            (a)        The Maryland Prescription Drug Affordability Board:

8                            (1)        shall conduct a study on prescription drug affordability challenges  
9        related to workers' compensation claims that includes:

10                            (i)        an overview of prescription drug prescribing and billing practices  
11        and trends that are specialized to the workers' compensation market;

12                            (ii)        research into specific prescribing, billing, and dispensing  
13        practices, including:

14    1.        prescribing high cost formulations and compounded  
15        formulations of commonly available drugs;

16    2.        billing and dispensing from entities that do not bill or  
17        provide services in the health insurance market; and

18    3.        billing practices using billing codes without standardized  
19        pricing metrics; and

20                            (iii)        making recommendations, if applicable, for policies to address  
21        identified affordability challenges; and

22                            (2)        may require, subject to applicable federal and State laws, entities that  
23        pay, prescribe, bill, and dispense prescription drugs under workers' compensation claims  
24        to report information to the Board as necessary to complete the study.

25            (b)        On or before March 1, 2026, the Prescription Drug Affordability Board shall  
26        report its findings and any recommendations to the Senate Finance Committee and the  
27        House Economic Matters Committee, in accordance with § 2-1257 of the State Government  
28        Article.

29            SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30        October July 1, 2025.