

# SENATE BILL 974

J5, J1, J4

5lr2824  
CF HB 1013

---

By: **Senator Lam**

Introduced and read first time: January 28, 2025

Assigned to: Finance

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program and Health Insurance – Nonopioid Drugs**  
3 **for the Treatment of Pain**

4 FOR the purpose of prohibiting the Maryland Medical Assistance Program and certain  
5 insurers, nonprofit health service plans, health maintenance organizations, and  
6 managed care organizations from applying a prior authorization requirement, step  
7 therapy protocol, or fail–first protocol for a nonopioid drug used for the treatment of  
8 pain that is more restrictive than a prior authorization requirement, step therapy  
9 protocol, or fail–first protocol applied to an opioid or narcotic drug used for the  
10 treatment of pain; requiring the Maryland Medical Assistance Program and certain  
11 insurers, nonprofit health service plans, health maintenance organizations, and  
12 managed care organizations to provide coverage for nonopioid drugs used for the  
13 treatment of pain to the same extent as an opioid or narcotic drug used for the  
14 treatment of pain; and generally relating to coverage of nonopioid drugs used for the  
15 treatment of pain.

16 BY adding to

17 Article – Health – General  
18 Section 15–102.3(m), 15–103(a)(2)(xxv), and 15–157  
19 Annotated Code of Maryland  
20 (2023 Replacement Volume and 2024 Supplement)

21 BY repealing and reenacting, without amendments,

22 Article – Health – General  
23 Section 15–103(a)(1)  
24 Annotated Code of Maryland  
25 (2023 Replacement Volume and 2024 Supplement)

26 BY repealing and reenacting, with amendments,

27 Article – Health – General  
28 Section 15–103(a)(2)(xxiii) and (xxiv)

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2023 Replacement Volume and 2024 Supplement)

3 BY repealing and reenacting, without amendments,  
4 Article – Insurance  
5 Section 15–142(a)(1) and (4) and (b)  
6 Annotated Code of Maryland  
7 (2017 Replacement Volume and 2024 Supplement)

8 BY repealing and reenacting, with amendments,  
9 Article – Insurance  
10 Section 15–142(e)  
11 Annotated Code of Maryland  
12 (2017 Replacement Volume and 2024 Supplement)

13 BY adding to  
14 Article – Insurance  
15 Section 15–861  
16 Annotated Code of Maryland  
17 (2017 Replacement Volume and 2024 Supplement)

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

20 **Article – Health – General**

21 15–102.3.

22 **(M) BEGINNING JULY 1, 2026, THE PROVISIONS OF §§ 15–142(E)(2) AND**  
23 **15–861 OF THE INSURANCE ARTICLE APPLY TO MANAGED CARE ORGANIZATIONS IN**  
24 **THE SAME MANNER THEY APPLY TO CARRIERS.**

25 15–103.

26 (a) (1) The Secretary shall administer the Maryland Medical Assistance  
27 Program.

28 (2) The Program:

29 (xxiii) Beginning on July 1, 2025, shall provide, subject to the  
30 limitations of the State budget, and as permitted by federal law, coverage for biomarker  
31 testing in accordance with § 15–859 of the Insurance Article; [and]

32 (xxiv) Beginning on January 1, 2025, shall provide coverage for  
33 prostheses in accordance with § 15–844 of the Insurance Article; AND

1 (XXV) BEGINNING ON JULY 1, 2026, SHALL PROVIDE COVERAGE  
2 FOR ANY NONOPIOID DRUG APPROVED BY THE U.S. FOOD AND DRUG  
3 ADMINISTRATION FOR THE TREATMENT OF PAIN TO THE SAME EXTENT AS A  
4 COVERED OPIOID OR NARCOTIC DRUG USED FOR THE TREATMENT OF PAIN.

5 15-157.

6 BEGINNING ON JULY 1, 2026, THE PROGRAM MAY NOT APPLY A PRIOR  
7 AUTHORIZATION REQUIREMENT, FAIL-FIRST PROTOCOL, OR STEP THERAPY  
8 PROTOCOL FOR A NONOPIOID DRUG APPROVED BY THE U.S. FOOD AND DRUG  
9 ADMINISTRATION FOR THE TREATMENT OF PAIN THAT IS MORE RESTRICTIVE THAN  
10 A PRIOR AUTHORIZATION REQUIREMENT, FAIL-FIRST PROTOCOL, OR STEP  
11 THERAPY PROTOCOL APPLIED TO AN OPIOID OR NARCOTIC DRUG USED FOR THE  
12 TREATMENT OF PAIN.

13 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
14 as follows:

15 **Article – Insurance**

16 15-142.

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

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

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

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

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

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

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

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

7           (1) **(I)** the prescription drug is used to treat the insured’s or enrollee’s  
8 stage four advanced metastatic cancer; and

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

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

14           **[(ii)] 2.** supported by peer–reviewed medical literature; **OR**

15           **(2) THE PRESCRIPTION DRUG IS A NONOPIOID DRUG APPROVED BY**  
16 **THE U.S. FOOD AND DRUG ADMINISTRATION FOR THE TREATMENT OF PAIN AND**  
17 **THE ENTITY DOES NOT IMPOSE A STEP THERAPY OR FAIL–FIRST PROTOCOL FOR AN**  
18 **OPIOID OR NARCOTIC DRUG USED FOR THE TREATMENT OF PAIN.**

19 **15–861.**

20           **(A) (1) THIS SECTION APPLIES TO:**

21           **(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**  
22 **PROVIDE COVERAGE FOR PRESCRIPTION DRUGS UNDER INDIVIDUAL, GROUP, OR**  
23 **BLANKET HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR**  
24 **DELIVERED IN THE STATE; AND**

25           **(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE**  
26 **COVERAGE FOR PRESCRIPTION DRUGS UNDER INDIVIDUAL OR GROUP CONTRACTS**  
27 **THAT ARE ISSUED OR DELIVERED IN THE STATE.**

28           **(2) AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH**  
29 **MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR PRESCRIPTION**  
30 **DRUGS THROUGH A PHARMACY BENEFITS MANAGER IS SUBJECT TO THE**  
31 **REQUIREMENTS OF THIS SECTION.**

32           **(B) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR**  
33 **ANY NONOPIOID DRUG APPROVED BY THE U.S. FOOD AND DRUG ADMINISTRATION**

1 FOR THE TREATMENT OF PAIN TO THE SAME EXTENT AS A COVERED OPIOID OR  
2 NARCOTIC DRUG USED FOR THE TREATMENT OF PAIN.

3 (C) AN ENTITY SUBJECT TO THIS SECTION MAY NOT APPLY A PRIOR  
4 AUTHORIZATION REQUIREMENT FOR A NONOPIOID PRESCRIPTION DRUG APPROVED  
5 BY THE U.S. FOOD AND DRUG ADMINISTRATION FOR THE TREATMENT OF PAIN  
6 THAT IS MORE RESTRICTIVE THAN A PRIOR AUTHORIZATION REQUIREMENT  
7 APPLIED TO AN OPIOID OR NARCOTIC DRUG USED FOR THE TREATMENT OF PAIN.

8 SECTION 3. AND BE IT FURTHER ENACTED, That:

9 (a) On or before December 1, 2026, each insurer and nonprofit health service plan  
10 that provides coverage for prescription drugs under individual, group, or blanket health  
11 insurance policies or contracts that are issued or delivered in the State and each health  
12 maintenance organization that provides coverage for prescription drugs under individual  
13 or group contracts that are issued or delivered in the State shall submit to the Maryland  
14 Insurance Administration a plan to provide adequate coverage and access to a broad  
15 spectrum of pain management services, including nonopioid drugs for the treatment and  
16 management of pain and nonpharmacologic, nonoperative pain management modalities that  
17 serve as an alternative to the prescribing of opioid drugs.

18 (b) The Maryland Insurance Administration shall review each plan submitted  
19 under subsection (a) of this section to determine whether the entity submitting the plan is  
20 in compliance with this Act and whether any policies adopted by the entity may create  
21 unduly preferential coverage of and access to opioid drugs.

22 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall  
23 apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the  
24 State on or after January 1, 2026.

25 SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take  
26 effect January 1, 2026.

27 SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section  
28 5 of this Act, this Act shall take effect July 1, 2025.