

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1114
Health

(Delegate Martinez, *et al.*)

HIV Prevention Drugs - Prescribing, Dispensing, and Insurance Coverage

This bill authorizes a pharmacist to prescribe and dispense preexposure prophylaxis (PrEP) medications for HIV prevention to patients under specified circumstances. Medicaid must provide medically appropriate drugs approved by the U.S. Food and Drug Administration (FDA) for HIV prevention, including PrEP and postexposure prophylaxis (PEP). Medicaid managed care organizations (MCOs) and carriers are prohibited from requiring prior authorization, step therapy, or cost sharing for PrEP or for specified services related to PrEP or PEP. By October 1, 2026, the State Board of Pharmacy (MBOP) must (1) develop a plan to notify pharmacists of the authority to prescribe and dispense PrEP and related training programs and (2) convene a stakeholder workgroup to make recommendations on collaborative practice agreements or a statewide protocol for PrEP. **The bill's Medicaid and pharmacist provisions take effect July 1, 2026; insurance provisions take effect January 1, 2027.**

Fiscal Summary

State Effect: Minimal increase in special fund revenues for the Maryland Insurance Administration (MIA) in FY 2027 only from the \$125 rate and form filing fee; any additional MIA workload can be handled with existing resources. MBOP can develop a plan and convene a stakeholder workgroup with existing resources. To the extent utilization of HIV prevention drugs increases, Medicaid expenditures (and associated federal matching revenues) increase in the near term; however, such expenditures are likely offset by indeterminate savings due to the prevention of HIV infections. Expenditures for the State Employee and Retiree Health and Welfare Benefits Program increase beginning in FY 2027, as discussed below.

Local Effect: Any impact on health care expenditures for local governments that purchase fully insured health benefit plans is indeterminate and not likely to be meaningful. Revenues are not affected.

Small Business Effect: Meaningful.

Analysis

Bill Summary:

Medicaid Coverage of Prescription Drugs for HIV Prevention

Beginning January 1, 2027, Medicaid, subject to the limitations of the State budget, must provide coverage for medically appropriate, FDA-approved drugs for HIV prevention, including PrEP and PEP.

An MCO may not apply a prior authorization requirement for a prescription drug used as PrEP for the prevention of HIV if the prescription drug is prescribed for use in accordance with Centers for Disease Control and Prevention (CDC) Guidelines.

Pharmacists and Preexposure Prophylaxis

The bill expands the practice of pharmacy to include prescribing and dispensing FDA-approved PrEP medications for HIV in accordance with “Preexposure Prophylaxis for the Prevention of HIV Infection in the United States – 2021 Update: A Clinical Practice Guideline” or any subsequent CDC guidelines.

A pharmacist may prescribe and dispense a complete course of PrEP to a patient (1) under guidelines established by the MBOP through regulation; (2) if the pharmacist provides counseling on the use of PrEP consistent with CDC guidelines, as specified; and (3) if the pharmacist provides notice to the patient’s primary care provider of the PrEP treatment or, if necessary, provides the patient with a list of physicians, clinics, or other health care providers in the area to contact regarding follow-up care, as specified. A pharmacist may not allow a patient to refuse or waive the consultation.

Before prescribing and dispensing PrEP to a patient, a pharmacist must complete a training program approved by the board. The training program must include information about financial assistance programs for PrEP. MBOP must consult with the State Board of Physicians, the State Board of Nursing, and other relevant stakeholders when developing or approving training programs.

Prohibition on Prior Authorization, Step Therapy, and Cost Sharing

The bill prohibits carriers and Medicaid MCOs from applying a prior authorization requirement or step therapy or imposing any cost-sharing requirements, including copayments, coinsurance, or deductibles, for a prescription drug used as PrEP for the prevention of HIV if the prescription drug is prescribed for use in accordance with CDC guidelines

Carriers and Medicaid MCOs are also prohibited from imposing cost-sharing requirements, including copayments, coinsurance, or deductibles, for medically necessary and appropriate services related to the use of PrEP or PEP, including HIV testing, kidney function testing, ongoing follow-up and monitoring every three months, pregnancy testing, provider office and telehealth visits for prescribing and medication management, serologic laboratory testing for hepatitis B and hepatitis C, testing for other sexually transmitted infections, and vaccinations for hepatitis B.

Current Law:

Practice of Pharmacy

“Practice pharmacy” means engaging in any of the following:

- providing pharmaceutical care;
- compounding, dispensing, or distributing prescription drugs or devices;
- compounding or dispensing nonprescription drugs or devices;
- monitoring prescriptions for prescription and nonprescription drugs or devices;
- providing information, explanation, or recommendations to patients and health care practitioners about the safe and effective use of prescription or nonprescription drugs or devices;
- identifying and appraising problems concerning the use or monitoring of therapy with drugs or devices;
- acting within the parameters of a therapy management contract;
- administering vaccinations, self-administered drugs, or maintenance injectable medications;
- delegating a pharmacy act to a registered pharmacy technician, pharmacy student, or individual engaged in a board-approved pharmacy technician training program;
- providing drug therapy management;
- prescribing and dispensing contraceptive medications and self-administered contraceptive devices approved by the FDA;
- prescribing and dispensing nicotine replacement therapy medications; or

- if the pharmacist is registered with the Nonoccupational Postexposure Prophylaxis (nPEP) Standing Order Program, dispensing nPEP medication approved by FDA or CDC.

Nonoccupational Postexposure Prophylaxis Standing Order Program

Chapter 753 of 2024 established the nPEP Standing Order Program. nPEP is a 28-day course of three antiretroviral medications that an individual must begin taking within 72 hours of exposure to HIV to prevent transmission. The program must (1) authorize a pharmacist registered with the program to dispense nPEP through a standing order; (2) authorize a licensed health care provider with prescribing authority to prescribe and dispense nPEP through a standing order; and (3) operate in accordance with the procedures approved by the Maryland Department of Health (MDH) with the advice and approval of MBOP.

At the time of dispensing nPEP, a pharmacist registered with the program must (1) screen the patient to determine that HIV exposure occurred within 72 hours before the dispensing; (2) determine whether the patient meets clinical criteria consistent with CDC guidelines, including the identification of any contraindicated medications; (3) determine whether an available standing order is appropriate for the patient and dispense nPEP in accordance with CDC guidelines; (4) refer the patient to a disease intervention specialist within MDH for ongoing treatment; and (5) determine whether the patient has a primary care provider and, if so, notify the provider that the patient was dispensed nPEP or, if not, provide the patient with a list of primary care providers and clinics. If an available standing order is not appropriate for the patient, the pharmacist must refer the patient to a primary care provider. A pharmacist may dispense nPEP in accordance with a drug therapy management contract.

Chapter 684 of 2022 prohibits carriers and Medicaid MCOs from applying a prior authorization requirement for a prescription drug used as PEP for the prevention of HIV if the prescription drug is prescribed for use in accordance with CDC guidelines.

State Fiscal Effect:

Medicaid

Medicaid currently covers the cost of the PrEP drugs Truvada, Descovy, Emtricitabine, Yeztugo (oral and injectable), and Apretude (injectable). As of February 2026, the costs for these drugs range from \$30 to \$9,406 for a 30-day supply. Medicaid also covers the cost of PEP drug regimens. The following drugs are combined with brand-name or generic Truvada: Isentress, Tivicay, Prezista, Ritonavir, and Biktarvy. As of February 2026, costs for these drugs range from \$80 to \$4,216 for a 30-day supply.

Medicaid's fee-for-service (FFS) program currently does not require prior authorization for HIV prevention drugs. All MCOs cover PrEP and PEP; however, some have implemented prior authorization requirements. HIV drugs under both managed care and FFS are subject to a \$1 copayment, which is waived for pregnant women and children. Furthermore, if a participant is unable to afford a pharmaceutical copayment, the pharmacist is required to dispense the medication without collecting the copayment.

Medicaid advises that, to the extent the bill's prohibition on prior authorization for PrEP, step therapy for PrEP or PEP, and cost sharing relating to PrEP and PEP results in substantial increases in the utilization of HIV prevention drugs, MCO costs increase, requiring an increase in Medicaid expenditures (64.63% federal funds, 35.37% general funds) and a corresponding increase in federal fund revenues, to increase MCO capitation rates in the near term. However, over time, MDH may realize savings due to the prevention of HIV infections. Any specific impact is indeterminate and cannot be reliably estimated at this time.

While Medicaid does not currently impose cost sharing on services related to the use of PrEP or PEP, MDH advises that federal legislation (H.R. 1, the One Big Beautiful Bill Act) requires states to impose cost sharing on certain services provided to adults in the Patient Protection and Affordable Care Act (ACA) expansion group. Beginning October 1, 2028, states must impose cost sharing on ACA adults that cannot exceed \$35 for any care, item, or service. Aggregate out-of-pocket costs for a family cannot exceed 5% of the family's income. While Maryland may have discretion in determining which services will require cost sharing, future federal guidance may require that ACA expansion adults pay cost sharing for PrEP or PEP and related services.

State Employee and Retiree Health and Welfare Benefits Program

The bill prohibits prior authorization, step therapy, or cost sharing for a prescription drug used as PrEP. The State Employee and Retiree Health and Welfare Benefits Program currently covers both PrEP and PEP medications without prior authorization; however, these prescription medications are subject to cost sharing. According to the Department of Budget and Management (DBM), in plan year 2025, members paid \$125,000 in cost sharing for PrEP medications. Thus, under the bill, program expenditures increase by \$62,500 in fiscal 2027 (to reflect the January 1, 2027 effective date) and \$125,000 annually thereafter due to the prohibition on cost sharing for PrEP medications.

Small Business Effect: Small business pharmacies may prescribe and dispense PrEP, as specified.

Additional Comments: DBM advises the bill has the potential to disrupt a patient's need for ongoing care and disease management by allowing treatment outside the oversight of

an attending health care provider and via multiple pharmacies. DBM further notes that the bill expands the list of services that must be covered with a \$0 cost share, including services that do not align with the recommendations of the U.S. Preventive Services Task Force (USPSTF), which impacts high-deductible health plan (HDHP) participants. With an HDHP, the annual deductible must be met before plan benefits are paid for services other than in-network preventive care as defined by USPSTF.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced in the last three years. See SB 64 of 2023.

Designated Cross File: None.

Information Source(s): Department of Budget and Management; Maryland Department of Health; Maryland Insurance Administration; Department of Legislative Services

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