

**Department of Legislative Services**  
Maryland General Assembly  
2026 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 88

(Delegate Taveras)

Health

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**Health Insurance – Bulk Purchasing Pools for Prescription Drugs**

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This bill authorizes certain insurers, nonprofit health service plans, and health maintenance organizations that provide coverage for prescription drugs and devices (including through a pharmacy benefits manager (PBM)) to join a bulk purchasing pool for prescription drugs.

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**Fiscal Summary**

**State Effect:** The bill does not directly affect governmental operations or finances.

**Local Effect:** The bill does not directly affect local governmental operations or finances.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Per § 2-502.1 of the State Personnel and Pensions Article, the Department of Budget and Management (DBM) must establish a Maryland Rx Program to achieve savings on prescription drugs for the State Employee and Retiree Health and Welfare Benefits Program. Maryland Rx must seek savings through a preferred list of covered prescription drugs, rebates from drug manufacturers, negotiated discounts, and other cost-saving measures. DBM must use a reverse auction to select a PBM or other entity to administer the program.

Nationally, there are several multi-state bulk purchasing pools for prescription drugs, including the Medicaid-focused National Medicaid Pooling Initiative, Top Dollar Program (TOP\$), and Sovereign States Drug Consortium, as well as the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) – a 50-state purchasing pool consisting of

non-Medicaid state and local government agencies. Maryland currently participates in TOP\$ and MMCAP. Health insurance carriers typically use PBMs to negotiate lower prices for prescription drugs.

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## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - January 28, 2026  
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