STEVE JOHNSON Legislative District 34A Harford County

Health and Government Operations Committee

Subcommittees

Government Operations and Estates and Trusts

Public Health and Minority Disparities



Annapolis Office The Maryland House of Delegates 6 Bladen Street, Room 215 Annapolis, Maryland 21401 410-841-3280 · 301-858-3280 800-492-7122 Ext. 3280 Steve.Johnson@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Health and Government Operations

HB 1273: Health Insurance - Audits of Claims by Pharmacies or Pharmacists – Deadlines

February 27, 2020

What does this bill do?

This bill would authorize a carrier, if the carrier conducts an audit of a claim by a pharmacy or pharmacist, to audit only claims submitted or adjudicated within a certain period of time. If a carrier conducts an audit of a pharmacy or pharmacist, the carrier may audit only claims submitted within the time limitations of the contract that allows a pharmacy to back out and resubmit a claim unless a longer period is authorized under Federal or State Law.

What is the need for this bill?

As we have seen, the PBM's have used the small community pharmacies as a source of revenue by taking back monies after the point of sale. One of the ways this is being done is by audits performed on claims after the time frame in which a pharmacy has the ability to back out and resubmit a claim.

This bill is intended to give the pharmacies the ability to resubmit a claim under the correct code and retain the payment for the drug that was dispensed.