



Mid-Atlantic Permanente Medical Group, P.C.
Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
2101 East Jefferson Street
Rockville, Maryland 20852

February 27, 2020

The Honorable Shane E. Pendergrass
Health and Government Operations Committee
House Office Building Room 240
6 Bladen Street
Annapolis, Maryland 21401

RE: HB 1307 – Oppose

Dear Chair Pendergrass and Members of the Committee:

Kaiser Permanente respectfully opposed HB 1307, Health Insurance and Pharmacy Benefits Managers – Network Adequacy and Reimbursement.

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.¹ Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for approximately 755,000 members. In Maryland, we deliver care to over 430,000 members.

Kaiser Permanente provides our members high quality, safe medications at affordable prices. Their health and well-being, along with the service we provide, are our top priorities.

Our concern with HB 1307 is associated with language proposed in 15-1628.3(B), which allows a pharmacy or pharmacist to decline to dispense a prescription drug or provide a pharmacy service if the reimbursement amount is less than the pharmacy's acquisition cost. This provision may unfairly create barriers for patients to receive the treatment and care they need. To refuse service because the pharmacist is not happy about a financial arrangement with another entity is inappropriate and unprofessional. The legislation is not consumer-friendly and unjustly puts a burden on patients where it absolutely does not belong.

For this reason, Kaiser Permanente requests an unfavorable Committee report.

Thank you for the opportunity to comment. Please feel free to contact Wayne Wilson at Wayne.D.Wilson@kp.org or (301) 816-5991 with questions.

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation's largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente's members.

Kaiser Permanente
Comments on House Bill 1307
February 27, 2020

Sincerely,

Wayne D. Wilson
Vice President, Government Programs and External Relations
Kaiser Foundation Health Plan of Mid-Atlantic States, Inc.