



MARYLAND ASSOCIATION
OF CHAIN DRUG STORES

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SB615/HB819 Pharmacy Benefits Managers - Prohibited Actions
Senate Finance Committee
Position: SUPPORT
February 24, 2021

Background: Prohibiting a pharmacy benefits manager from engaging in any practice that bases certain reimbursement for a prescription drug on patient outcomes, scores, or metrics under certain circumstances; prohibiting a pharmacy benefits manager from engaging in the practice of spread pricing; prohibiting a pharmacy benefits manager from denying any pharmacy a certain right; prohibiting a pharmacy benefits manager from taking more than 30 days to review the application of a pharmacy or pharmacist to participate in a certain policy or contract; etc.

Written Comments: The Maryland Retailers Association is in support of this legislation as we do not believe pharmacy benefit managers (PBMs) should engage in spread pricing. PBMs are currently able to pay the pharmacist or pharmacy a different price for a prescription drug than what they charge a purchaser which results in pharmacists and pharmacies receiving less. We support other provisions in the bill prohibiting PBMs from taking longer than 30 days to determine whether a pharmacy can participate in a plan or set different fees for a beneficiary's copay based on whether a pharmacy is affiliated with a chain or is an independent pharmacy and prohibiting a PBM from mandating mail order.

With regard to patient outcomes, we believe and support lowering healthcare costs and improving patient outcomes, but a pharmacist ultimately is not writing a prescription and cannot make changes without physician approval. Thus, product reimbursement should not be based upon these metrics.

It is for the above reasons we urge a favorable report.