

SUSAN W. KREBS  
Legislative District 5  
Carroll County

Health and Government  
Operations Committee

Government Operations and Estates  
and Trusts Subcommittee

Health Facilities and  
Pharmaceuticals Subcommittee



The Maryland House of Delegates  
6 Bladen Street, Room 203  
Annapolis, Maryland 21401  
410-841-3200 · 301-858-3200  
800-492-7122 Ext. 3200  
Fax 410-841-3349 · 301-858-3349  
Susan.Krebs@house.state.md.us

*The Maryland House of Delegates*  
ANNAPOLIS, MARYLAND 21401

**Health and Government Operations**

**HB819 Pharmacy Benefits Managers - Prohibited Actions**

**February 9, 2021**

**WHAT DOES THIS BILL DO?**

House Bill 819 **will add to the statutory list of prohibited acts** by Pharmacy Benefit Managers (PBMs) the following:

- Diminishing reimbursement to a pharmacy based on patient outcomes
- Engaging in the practice of “spread pricing”
- Denying the right of a pharmacy to participate in a plan if the pharmacy agrees to the terms and conditions of the plan
- Setting different fees for a copay based on whether the pharmacy is an affiliate of the PBM
- Requiring that the beneficiary of a plan use a mail order pharmacy.

**WHAT IS THE NEED FOR THE BILL?**

Certain unfair, anti-competitive, and anti-consumer practices by PBMs are creating an unlevel playing field for both independent pharmacies and consumers. For example, PBMs have threatened to reduce reimbursement to a pharmacy based on patient outcomes, they have engaged in “spread pricing”, where it reimburses a pharmacy for a lesser amount than it is paid for the drug by the insurer or prescription plan-they then pocket the difference.

Some pharmacies have been denied the opportunity to participate in a prescription plan even if the pharmacy is willing to accept the terms and conditions of the plan. Consumers want the choice of having prescriptions filled where they choose.

Some PBMs have different co-pays for different pharmacies. Having lower co-pays for pharmacies affiliated with the PBM is discriminatory and unfair and should be the same for all pharmacies. And finally, it is unreasonable to force all pharmacies to provide mail order - this should be the choice of the consumer, and not a requirement imposed by PBMs.

**I urge the Committee to level the playing field for our independent community pharmacies and favorably report HB8.**