

Patients & Providers Support HB 1015

Pharmacy Benefit Managers- Prohibitions Related to Reimbursement and Use of Specific Pharmacy Requirement-Application



NATIONAL HEMOPHILIA FOUNDATION
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Current Law Excludes Maryland's Most Vulnerable from Anti-Steering Protections

Patients have long expressed frustration with “steering” by pharmacy benefit managers (PBMs), in which an insurer encourages or requires their members to fill their prescriptions at the insurer’s owned or affiliated specialty and mail order pharmacies.

Pharmacy steering policies are particularly harmful to patients taking specialty medications as these medicines are highly sensitive and the patients who take them have complex, chronic, and/or life-threatening illnesses. Timely access to treatment is critical to ensure the best possible health outcomes. Unfortunately, reports of patients being required to use PBM-mandated specialty or mail order pharmacy and experiencing delays in prescription delivery, mix-ups at the PBM-owned pharmacy, endless phone tag with PBM representatives, and bureaucratic red tape are abundant.

The Maryland General Assembly listened to patients and acted on these concerns in 2019 when it passed HB 759: Pharmacy Benefits Managers – Pharmacy Choice which enacted anti-steering provisions. Surprisingly, this anti-steering language explicitly excluded specialty drugs. When the statutes were revisited in 2021 with HB 601: Pharmacy Benefit Managers – Revisions an additional layer of anti-steering provisions were added that would protect independent retail pharmacies from unfair reimbursement practices. However, once again, these protections came with broad exemptions for specialty drugs and also created exemptions for mail order drugs and drugs dispensed at certain chain pharmacies. With these exemptions still in place, Maryland state law currently excludes chronically ill patients from these important anti-steering protections.

Our solution: HB 1015

HB 1015 will strengthen current Maryland anti-steering laws by correcting this oversight and repealing existing exceptions. It will enable patients with complex or chronic conditions like cancer, rheumatoid arthritis, and multiple sclerosis to obtain their medication from the pharmacy of their choice in a timely manner, increasing adherence and improving clinical outcomes.

Since the passage of Maryland’s original anti-steering legislation, consolidation amongst the nation’s largest health insurers and PBMs has continued. This vertical integration has enabled insurers to gain greater control of downstream pharmacy and provider assets and steer patients to use their affiliated pharmacies for greater profit. By 2020, only 3 PBMs processed nearly 80% of prescriptions nationwide.¹ As a result, many states² have passed or enacted legislation to protect patient choice and limit harmful pharmacy steering mandates.

Without passage of HB1015, Maryland law will continue to incentivize PBMs to engage in this harmful and anti-competitive behavior. Patients should be able to choose the most convenient location to receive their medication, whether that’s a local independent pharmacy near their home, from their physician’s office, or by mail. Undergoing treatment for complex, chronic conditions is already stressful for patients and they deserve to have a choice on what is best for them during this time. HB 1015 will ensure patients can focus on getting well and prevent additional complications from delayed or ineffective treatment.

¹-<https://www.drugchannels.net/2021/04/the-top-pharmacy-benefit-managers-pbms.html>

²-Examples: [Alabama](#) (broad steering prohibitions), [Georgia](#) (broad steering prohibitions), [Kentucky](#) (prohibits specialty and mail order drug steering in Medicaid), [Louisiana](#) (prohibits financial incentives as steering for specialty and mail order drugs in all state plans), [Minnesota](#) (prohibits specialty and mail order drug steering), [Mississippi](#) (broad steering prohibitions), [North Dakota](#) (prohibits steering in specialty mail order drugs), [Pennsylvania](#) (broad anti-steering coalitions).