



Date: February 28, 2023

To: The Honorable Melony Griffith, Chair

From: Aliyah N. Horton, FASAE, CAE, Executive Director, MPhA, 240-688-7808

Cc: Senate, Finance Committee

Re: **FAVORABLE - SB 678** – Health Insurance – Reimbursement for Services Rendered by a Pharmacist

The Maryland Pharmacists Association (MPhA) recommends a FAVORABLE report for SB 678, Health Insurance – Reimbursement for Services Rendered by a Pharmacist. Founded in 1882, MPhA is the only state-wide professional society representing all practicing pharmacists, pharmacy technicians and student pharmacists in Maryland. Our mission is to strengthen the profession of pharmacy, advocate for all Maryland pharmacists and promote excellence in pharmacy practice.

The bill requires Maryland Medical Assistance Program, Maryland Children’s Health Program, certain insurers, non-profit health service plans and health maintenance organization to provide coverage for all services rendered to an enrollee by a licensed pharmacist within the pharmacist’s lawful scope of practice, to the same extent as services rendered by any other health care practitioner, regardless of practice setting.

- The bill is based on a recommendation from a Maryland Insurance Administration Work Group authorized by HB 1219 - Pharmacists - Status as Health Care Providers and Study on Reimbursement passed in the 2022 legislative session.
- Pharmacists are one of the most accessible health care providers for Maryland patients, with most Maryland residents living within five miles of a pharmacy.
- Maryland has 47 designated HPSAs and only 55% of the primary care needs in those areas are currently being met. There are 5,310 highly trained pharmacists in Maryland who are ready to provide valuable healthcare services.
- SB 678 facilitates opportunities for pharmacists to fill patient care gaps in service and access.
- With the passage of this bill, physician practices and health clinics with pharmacists on staff can better leverage their resources if they are able to bill payors for their pharmacist’s time.
- The committee is aware that pharmacies consistently have been challenged by predatory pharmacy benefit manager practices related to under reimbursement for medications and low dispensing fees, among other issues.
- This has put tremendous pressure on the current pharmacy business model. Pharmacy revenue largely comes from dispensing medications. The focus on prescription volume, in some practices, restricts the ability of pharmacists to work directly with patients in areas in which they are trained.
- Payment for services provides a revenue stream for pharmacist work AND improves patient outcomes.
- 23 states are able to bill Medicaid for varying levels of pharmacist provided clinical services.
- 11+ states (as of May 2022) have full payment parity across payor options.

RETURN ON INVESTMENT

- Pharmacist patient-care services demonstrate improved patient outcomes and reduced overall health care costs. As an example, a study conducted in safety-net clinics located in Maryland demonstrated a positive return on investment (ROI) of \$5-\$25 for every \$1 invested in pharmacist clinical interventions.¹
- A systematic review indicated positive return on investment when evaluating broader cognitive pharmacist services, with up to \$4 in benefits expected for every \$1 invested in clinical pharmacy services.²



This legislation is supported by the full Maryland Pharmacy Coalition:

Full members:

- Maryland Pharmacists Association
- American Society of Consultant Pharmacists - Maryland Chapter
- Maryland Pharmaceutical Society
- Maryland Society of Health System Pharmacists
- University of Maryland Baltimore School of Pharmacy Student Government Association
- University of Maryland Eastern Shore School of Pharmacy Student Government Association
- Notre Dame of Maryland University School of Pharmacy Student Government Association

Affiliate members:

- University of Maryland Baltimore School of Pharmacy
- University of Maryland Eastern Shore School of Pharmacy
- Notre Dame of Maryland University School of Pharmacy
- Maryland Association of Chain Drug Stores

¹ Truong H, Groves C, Congdon H, et al. Potential cost savings of medication therapy management in safety-net clinics. *J Am Pharm Assoc*, 2015;55:e277-e280.

² Talon B, Perez A, Yan C, et al. Economic evaluations of clinical pharmacy services in the United States: 2011-2017. *J Am Coll Clin Pharm*, 2020;3(4):793-806.