



MMCOA
Board of Directors

**House Bill 382 – Maryland Department of Health and Prescription Drug
Affordability Board - Managed Care Organizations and Prescription Drug
Claims - Study**

Senate Finance Committee
March 29, 2023

Thank you for the opportunity to submit testimony on House Bill 382 - Maryland Department of Health and Prescription Drug Affordability Board - Managed Care Organizations and Prescription Drug Claims – Study.

Maryland’s nine MCOs serve over 1.5 million Marylanders through the Medicaid HealthChoice program, and through our management of the prescription drug benefit, including costly specialty drugs, provide access to the prescription drugs needed by our members at a lower cost, allowing the State to continue to provide this valuable and necessary service.

Integration of services and benefits, including the pharmacy benefit, provides numerous benefits to Maryland’s Medicaid recipients by creating greater opportunity for treatment of the “whole person” through identification and coordination of health care needs by the MCO and treating providers. Furthermore, pharmacy integration leads to greater efficiencies in the Medicaid Program allowing MCOs to maintain and improve upon the delivery of services to members and ensure cost savings to the State.

While we applaud the bill sponsor’s effort to examine the Medicaid pharmacy spend that ensures access to needed therapies, there is existing regulatory oversight of MCOs contracting with PBMs that prohibit certain actions by PBMs and support the delivery of pharmacy services in the Medicaid program. These measures include- but are not limited to- the elimination of the spread pricing model, the implementation of the pharmacy appeals and grievance process, and the funding of the Small Rural Pharmacy Grants Program.

MMCOA looks forward to continued collaboration with the State as we work to identify ways to improve access to affordable high-quality care for all Medicaid participants.

Please contact Jennifer Briemann, Executive Director of MMCOA, with any questions regarding this testimony at jbriemann@marylandmco.org.

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