



Maryland Community Health System

Committee: Senate Finance Committee

Bill Number: Senate Bill 526 – Health Insurance - Pharmacy Benefits Managers - Specialty Drugs Dispensed by a Physician

Hearing Date: February 14, 2024

Position: Support

Maryland Community Health System (MCHS) supports Senate Bill 526 Health Insurance - Pharmacy Benefits Managers - Specialty Drugs Dispensed by a Physician. This bill prohibits a pharmacy benefits manager (PBM) that provides pharmacy benefits management services on behalf of a carrier from requiring a beneficiary to use a specific pharmacy or entity for certain specialty drugs. This prohibition applies if the drug is (1) dispensed by a physician; (2) used in the treatment of a chronic, complex, rare, or life-threatening medical condition; and (3) injected or infused (or an oral drug that meets specified conditions). For a specialty drug that fulfills these requirements (including one dispensed by mail order), a PBM that provides pharmacy benefits management services on behalf of a carrier may not reimburse a pharmacy or pharmacist in an amount less than what the PBM reimburses itself or an affiliate for the same specialty drug.

MCHS is a network of seven federally qualified health centers with 55 care delivery sites across the state of Maryland. Our mission is to ensure underserved communities have access to somatic, behavioral, and oral health care. Community health centers become federally qualified health centers with a special designation by the Health Services and Resources Administration under the Department of Health and Human Services. Access to quality healthcare is essential, and this bill would encourage pharmacy choice which is an important factor in ensuring that patients receive the best possible care. Pharmacy choice allows patients to select the pharmacy that best meets their needs and provides them with the most convenience. This bill removes the artificial barriers established by insurance carriers and PBMs and instead promotes patient choice when choosing a pharmacy which is an important factor in providing quality healthcare.

We ask for a favorable report. If we can provide further information, please contact Michael Paddy mpaddy@policypartners.net.