

# MPCAC

MARYLAND PATIENT CARE AND ACCESS COALITION

February 27, 2024

**VIA ELECTRONIC SUBMISSION**

Joseline A. Peña-Melnyk, *Chair*  
Health and Government Operations Committee  
House Office Building, Room 241  
6 Bladen Street  
Annapolis, MD 21401

**Re: Support for H.B. 876 - Health Insurance - Pharmacy Benefits Managers - Specialty Drugs Dispensed by a Physician**

Dear Chairwoman Peña-Melnyk:

We are writing to you on behalf of the Maryland Patient Care and Access Coalition (“MPCAC”) to express our support for H.B. 876. MPCAC strongly believes that pharmacy benefit managers (“PBMs”) should not force patients to seek specialty drugs from specific specialty pharmacies when they can be dispensed by physicians. H.B. 876 would allow Marylanders to obtain certain specialty drugs without the unnecessary delays and hurdles of dealing with outside specialty pharmacies, and instead obtain them from a physician who is central to the patient’s treatment.

**MPCAC proudly supports H.B. 876 and stands ready to serve as an ongoing resource to the House Health and Government Operations Committee in its efforts to address dispensing of specialty drugs by physicians.**

**The Maryland Patient Care and Access Coalition**

For 20 years, the Maryland Patient Care and Access Coalition (“MPCAC”) has been the voice of independent physician practices in the State that deliver integrated, high-quality, cost-efficient care to patients in the medical office and freestanding ambulatory surgical facility (“FASF”) settings. With hundreds of physicians in the fields of gastroenterology, orthopedic surgery, urology, pathology, medical oncology, radiation oncology, and anesthesiology, MPCAC’s member medical practices cared for Marylanders in nearly two million patient visits during the past year. In addition, the physicians in MPCAC’s member practices perform approximately 200,000 procedures in FASFs and endoscopy centers annually.

### **H.B. 876 – Specialty Drug Dispensing By Physicians**

H.B. 876 will maintain and possibly enhance Maryland patients’ ability to access certain specialty drugs, by allowing physicians to dispense directly to their patients. The bill stops PBMs from forcing patients to obtain specialty drugs from specific specialty pharmacies when the drugs can be obtained at a physician’s office.

Under Maryland law, specialty drugs are defined as those prescription drugs that are not stocked by retail pharmacies and (a) are prescribed for complex or chronic medical conditions or rare medical conditions; (b) cost \$600 or more for up to a 30-day supply; and (c) (i) require “difficult or unusual processes of delivery to the patient in the preparation, handling, storage, inventory, or distribution of the drug,” or (ii) require “enhanced patient education, management, or support, beyond those required for traditional dispensing, before or after administration of the drug.”<sup>1</sup>

Because these drugs are not readily available at local retail pharmacies, and if physicians cannot dispense specialty drugs in their offices, patients need to:

- First, wait for the prescription to be submitted electronically to the PBM’s chosen specialty pharmacy;
- Second, wait for the prescription to be processed by the specialty pharmacy; and
- Third, likely wait for the specialty pharmacy to mail the specialty drug to them.

This process can take several days, which unnecessarily delays patient care.<sup>2</sup>

H.B. 876 impacts a specific segment of specialty drugs and only includes those specialty drugs that are (y) injected or infused or (z) oral drugs that (1) are immunomodulators or anticancer drugs; (2) have a dosage dependent on the clinical presentation at the time dispensed; or (3) are prescribed concomitantly with an outpatient treatment. The drugs that would be protected by H.B. 876 are clearly those that benefit from being dispensed by the patient’s physician who is integral to the patient’s care.

We understand that PBMs have argued that allowing physician dispensing creates logistical issues on processing claims. Insurers have been processing physician dispensing all along. Infusions often are processed through the medical benefit while other drugs are processed appropriately through pharmacy benefits. This bill does not change the status quo.

Additionally, there are studies showing higher cost savings and cost avoidance when specialty medications are managed through medically-integrated dispensing (e.g., physician dispensing or hospital pharmacy dispensing) than non-integrated specialty pharmacies, especially in the

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<sup>1</sup> MD Ins. Code § 15-847

<sup>2</sup> “Cancer drug waste reduced with use of doctors’ office pharmacies”, Prime Therapeutics, <https://www.primetherapeutics.com/news/cancer-drug-waste-reduced-with-use-of-doctors-office-pharmacies/>, (Apr. 5, 2023) last accessed Feb. 26, 2024.

oncology space.<sup>3</sup> MagellanRx Medical Pharmacy Trend Report found that, depending on the drug, infusion claims in the physician office setting are either the same or slightly cheaper than specialty pharmacy rates.<sup>4</sup>

**Overall, by allowing physicians to dispense the permitted specialty drugs, H.B. 876 would, at a minimum, maintain access and possibly provide greater access for Maryland patients with chronic or rare conditions to obtain the specialty drugs they need in a more timely, efficient, and economical manner.** MPCAC looks forward to continuing to serve as a trusted partner to members of the General Assembly as we work together to confront the challenges and opportunities facing our health care system and to promote and protect the high quality, cost-efficient and convenient care furnished in the independent medical practice setting.

Sincerely,



Nicholas P. Grosso, M.D.  
Chairman of the Board & President, MPCAC



Michael Weinstein, M.D.  
Chair, Health Policy, MPCAC

cc: All House Health and Government Operations Committee Members  
Joe Bryce, Manis Canning

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<sup>3</sup> See *id.*

<sup>4</sup> “Medical Pharmacy Trend Report,” Magellan Rx Management, <https://issuu.com/magellanrx/docs/medical-pharmacy-trend-report-2023?fr=sYmEzZTY2MjgzNzc>, (2023) last accessed Feb. 26, 2024.