Maryland
DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

February 26, 2025

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Office Building
Annapolis, MD 21401-1991

Re: Senate Bill (SB) 961 – Maryland Medical Assistance Program and Health Insurance – Pharmacogenomic Testing – Required Coverage – Letter of Information

Dear Chair Beidle and Committee members:

The Maryland Department of Health (the Department) respectfully submits this letter of information for Senate Bill (SB) 961 – Maryland Medical Assistance Program and Health Insurance – Pharmacogenomic Testing – Required Coverage.

SB 961 requires the Maryland Medical Assistance Program and certain health insurers, nonprofit health services plans, and health maintenance organizations to provide coverage for single-gene and multigene pharmacogenomic testing if the testing is ordered by a treating provider for an insured or enrollee with a diagnosis of depression or anxiety. SB 961 also limits the prior authorization requirements that certain health insurers, nonprofit health services plans, and health maintenance organizations may implement for pharmacogenomic testing. This bill also has penalties of up to $10,000 per instance of non-compliance for managed care organizations (MCOs) that do not comply and an additional penalty of $1,000 per day that the non-compliance continues after notification from the Department.

The Department already covers all of the services outlined in this bill. As drafted, the legislation does not define a specific time frame for review of prior authorization requests; however, the Department believes its existing standards comport with the bill's intent. Further information on the current prior authorization policies are detailed below.

For Fee for Service (FFS) participants, the Department does not require prior authorization for most of these tests. Of the three applicable CPT codes, only 81479: Non-Invasive Prenatal Testing requires a preauthorization. A determination must be made for laboratory FFS prior authorization requests within 72 hours of the provider submitting a preauthorization request form.

Any MCO that implements prior authorization must follow existing standards in COMAR, which are in compliance with the bill as written. According to COMAR 10.67.09.04, MCOs must make a determination within two business days of receipt of necessary clinical information, but not later than 14 calendar days from the date of the initial request. For expedited

authorization decisions, the MCO shall make a determination and provide notice no later than 72 hours after receipt of the request for service if the provider indicates or the MCO determines that the standard time frame stated above could jeopardize the patient's life, health, or ability to attain, maintain, or regain maximum function. For all covered outpatient drug authorization decisions, the MCO shall provide notice within 24 hours of a preauthorization request.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary