

SB306_MyMatrixx_FAV

Uploaded by: Adam Fowler

Position: FAV

Maryland Senate Finance Committee
cc: Senator Pamela Beidle (Chair) and Senator Antonio Hayes (Vice Chair)



February 24, 2025

Re: MyMatrixx Comments on Senate Bill 306

MyMatrixx, an Evernorth Company, appreciates the opportunity to submit comments to the Senate Finance Committee on Senate Bill 306. By way of background, MyMatrixx is one of the largest workers' compensation pharmacy benefit management (PBM) companies in the country, providing PBM services to thousands of client groups, including workers' compensation insurance carriers, employers, third-party administrators, and public sector payers. We take a strategic approach to workers' compensation, structuring customized client solutions around best-in-class core services, supported by advanced trend-management and clinical-review programs, to ensure safety for injured workers, while aggressively controlling costs.

Support

MyMatrixx supports SB 306 as it would establish a needed uniform fee schedule for reimbursement of pharmaceuticals in the Maryland workers' compensation system. While contracting with networks of pharmacies through PBMs is one of the most effective ways of controlling costs for medications in the system and most transactions flow through a network today, not all providers accept contracted rates. These non-contracted "out of network" instances are where state fee schedules can assist to place a ceiling on pharmaceutical costs to ensure they are reasonable.

Under the current state workers' compensation reimbursement structure, there is no uniform fee schedule. Existing Code of Maryland Regulations 14.09.08.04, instead, permits individual insurers to base their reimbursement for dispensed medications to pharmacies and dispensing physicians on "nationally recognized and published relative value studies, or on the values assigned for services involving similar work and resources." The reimbursement value chosen by that individual insurer is then subject to review by the Workers' Compensation Commission and has led to many disputes between parties. This contrasts with most other states' workers' compensation systems, which establish fee schedules for dispensed pharmaceuticals, thereby reducing disputes, adding more certainty to providers and payers, and ensuring injured worker access to needed medications for their workplace injury. SB 306 would resolve this issue by requiring such a fee schedule.

Ensure Coverage

In addition to our support for establishing a pharmaceutical fee schedule, we also encourage legislators and the Workers' Compensation Commission to ensure that all dispensed medications are covered under the fee schedule. By this, we mean all national drug codes (NDCs) for both prescription and non-prescription medications and all providers that may dispense those NDCs.



Though subject to subsequent Commission determination, it is our understanding that the chief “index” based on acquisition cost available to adopt by the Commission would likely be the National Average Drug Acquisition Cost (NADAC). As you may be aware, NADAC is the result of a survey process the federal Centers for Medicare and Medicaid Services (CMS) uses to estimate pharmacy pricing for drugs acquired by retail pharmacies that state Medicaid programs can utilize to set reimbursement rates to pharmacies. Given the voluntary survey nature of this index and its connection specifically with Medicaid, it does not cover all medications dispensed within the workers’ compensation system. This gap, the percentage of transactions without a NADAC, can be as high as 15 percent based on prior data we gathered, with the collective dollar cost of those medications representing an even higher percentage of total medication costs (some more expensive drugs dispensed in the workers’ compensation system may not have a NADAC).

Wholesale Acquisition Cost (WAC) may also fit within the bill’s “acquisition cost” framework. WAC is generally a more comprehensive published index that could be used to account for many of the NADAC gaps. However, though rarer, there are some medications which also do not have a WAC.

Given these gaps, we support the ability of the Commission to adopt secondary or tertiary published reimbursement indexes to avoid potential loopholes. Practically, that may need to include other published indexes available in the industry that are not necessarily tied to an “acquisition cost.” The most important aspects of this would be that any such ‘backup’ index is published, available to stakeholders to use, and updated frequently to account for market realities. Granting the Commission the authority to do adopt such backup sources will ensure all medications have a fee schedule rate tied to them and avoid the current subjective system of disputes and uncertainty. In lieu of that, the Commission should still be granted authority to cap reimbursement for these gap medications, even if not tied to an acquisition cost index.

Additionally in terms of coverage, we support applying this fee schedule to all dispensing providers – including physicians who may dispense medications to their injured patients. Physician dispensing has continued to be a notable concern in many states for workers’ compensation for several years. A 2024 Workers’ Compensation Research Institute report showed that physician-dispensed medications accounted for over half of total medication payments in the Maryland worker’s compensation system.¹ We believe the practice of physician dispensing bypasses the benefits of a PBM and ignores critical patient safety alerts that are typically identified and communicated to retail pharmacies before medications are dispensed. We believe it important to hold dispensing physicians to the same standards as dispensing pharmacists, including reimbursement. SB 306 in its current introduced form would apply to all “prescription drugs and pharmaceutical services,” which

¹ WCRI: “Interstate Variations and Trends in Workers’ Compensation Drug Payments, 5th Edition” (June 2024)



would include dispensing physicians, and any potential amendments to it should maintain that inclusion and not create a loophole for those providers to inflate medication costs for the state's employers.

Collaboration

MyMatrixx remains committed and willing to collaborate with the committee and the Workers' Compensation Commission to ensure that any changes made enable us to process the required medications at the appropriate costs without negative impacts to our payer clients and the injured workers we serve. Thank you for your consideration of our comments. If you have questions regarding our comments, please contact me for further discussion.

Sincerely,

A handwritten signature in black ink that reads "Adam Fowler".

Adam Fowler

Director, Workers' Compensation Regulatory Affairs

MyMatrixx by Evernorth

[MyMatrixx.com](https://www.mymatrixx.com)

Adam.Fowler@MyMatrixx.com

SB 306 - MML - FAV.pdf

Uploaded by: Bill Jorch

Position: FAV



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 25, 2025

Committee: Senate Finance Committee

Bill: SB 306 - Workers' Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements

Position: Favorable

Reason for Position:

The Maryland Municipal League (MML) supports Senate Bill 306. The bill requires the Workers Compensation Commission (WCC) to regulate fees based on a certain index or indices.

Today, the WCC has no fee guide for pharmaceutical services which has led to municipal governments and insurers being overcharged through artificially inflated acquisition costs. Currently, about 125 municipal governments use Chesapeake Employers Insurance Company for workers compensation coverage. According to numbers from Chesapeake, SB 306 would save local governments millions of dollars by using existing indices as pricing guides. The legislation is carefully crafted so that reimbursement rates would likely not be so low that certain drugs would cease to be offered in the marketplace.

Additionally, it is important to note that municipal governments tend to offer excellent benefits, including health care, to the more than 23,000 municipal employees. In the rare instance when an employee's claim is denied, they still have the recourse to use their employer-sponsored health care coverage to acquire the same prescription at a subsidized rate.

For these reasons, the Maryland Municipal League respectfully requests a favorable report on Senate Bill 306. For more information, please contact Bill Jorch, Director, Public Policy and Research at billj@mdmunicipal.org. Thank you in advance for your consideration.

Anne Arundel County _FAV_SB306.pdf

Uploaded by: Ethan Hunt

Position: FAV



February 25, 2025

Senate Bill 306
Workers' Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements
Senate Finance Committee

Position: FAVORABLE

Anne Arundel County **SUPPORTS** Senate Bill 306 – Workers' Compensation – Prescription Drug and Pharmaceutical Services – Reimbursements. This Bill requires the State Workers' Compensation Commission to regulate the reimbursement charges for prescription drugs and pharmaceutical services by establishing a cost index.

Unlike medical bills, there is currently no established fee schedule or guide for prescription drug charges for workers' compensation. As a result, vendors can charge the county whatever amount they want. Often, there can be significant discrepancies between the amount a vendor charges for a prescription and the reasonable price of that prescription. It is no longer surprising to see vendors charge for every bill at least five to ten times the upper range that a Maryland resident would typically pay when walking in without a prescription card or plan. When these disagreements occur, the county is obligated to negotiate a more reasonable price in order to ensure that our public funds are used efficiently.

In order to combat these price discrepancies, Anne Arundel County secured a prescription review vendor. The vendor reviews all of our prescriptions and reduces the charges based on what is usual, customary, and reasonable from a price standpoint and based on the diagnosed injury. This model has been very successful and, as a result, the County has avoided paying inflated charges.

Although Anne Arundel County has had some success with our prescription review process, exorbitant prescription charges are still a common and serious issue. Counties should not have to significantly overpay for workers' compensation-related prescription drug reimbursements. Creating a cost index calculated based on per unit acquisition cost and accounting for the dispensing fee will establish a uniform, predictable, and reasonable cost for each prescription.

This Bill will disincentivize vendors from overbilling, help county departments pay what is customary and reasonable for prescription drugs and services, and save taxpayer money. Accordingly, Anne Arundel County respectfully requests a **FAVORABLE** report on Senate Bill 306.

A handwritten signature in blue ink, appearing to read "Stuart Pittman".

Stuart Pittman
County Executive

SB 306_ Workers' Compensation - Prescription Drug a

Uploaded by: Hannah Allen

Position: FAV



LEGISLATIVE POSITION:

Favorable

Senate Bill 306 - Workers' Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements

Finance Committee

Tuesday, February 25, 2025

Dear Chair Beidle and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Senate Bill 306 (SB 306) requires the Workers' Compensation Commission (WCC) to establish a medical fee guide for prescription drug reimbursements under the state workers' compensation system.

Maryland's workers' compensation system lacks a standardized fee guide for prescription medications, leading to cost disparities and inefficiencies. While medical services in workers' compensation claims are already subject to a regulated fee schedule, prescription drug costs are not, resulting in inconsistent pricing and unnecessary litigation.

Currently, many prescriptions are reimbursed based on the Average Wholesale Price (AWP) plus additional fees, which inflates costs well beyond the actual acquisition price. For example, a 30-day supply of Duloxetine is often priced at over \$700 under the AWP model, while the acquisition-cost-based price is around \$39. This disparity places unnecessary financial burdens on employers, who fund workers' compensation claims, and leads to costly litigation to dispute excessive charges, further delaying claims resolution.

By having a defined reimbursement structure and requiring prescription reimbursements to be based on acquisition cost, SB 306 will create a fair, uniform, and predictable payment system that reduces claims costs without impacting injured workers' access to necessary medications.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report** on **SB 306**.

SB0306-FIN_MACo_SUP.pdf

Uploaded by: Karrington Anderson

Position: FAV



Senate Bill 306

Workers' Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements

MACo Position: **SUPPORT**

To: Finance Committee

Date: February 25, 2025

From: Karrington Anderson

The Maryland Association of Counties (MACo) **SUPPORTS** SB 306 as an essential reform to Maryland's workers' compensation system. This bill would establish a clear and sustainable fee guide for the reimbursement of prescription drugs and pharmaceutical services under the Workers' Compensation Commission.

Currently, the Commission regulates fees for medical services but lacks a similar framework for prescription drugs, dental services, or durable medical equipment. This gap has led to excessive and inconsistent pricing, particularly from out-of-network pharmacies and physician-dispensed medications, with some drugs seeing markups as high as 77%. Workers' compensation claims remain a significant cost driver for counties, and the absence of pricing regulations results in inflated costs that burden local government budgets and increase insurance premiums.

SB 306 seeks to address this issue by directing the Commission to develop a pharmaceutical fee guide based on actual acquisition costs, along with a fixed dispensing fee. This structure would help ensure fair and transparent pricing while promoting financial sustainability within the workers' compensation system. By curbing excessive costs and aligning pricing with industry standards, counties stand to realize substantial savings that can be redirected to other critical public services.

Importantly, this bill will also benefit employees by ensuring timely and consistent access to necessary medications without inflated costs driving unnecessary delays or disputes in care. A well-regulated fee guide will promote fairness, efficiency, and better health outcomes for injured workers relying on the system for recovery.

MACo urges the Committee to issue a **FAVORABLE** report on SB 306 to establish reasonable and predictable pharmaceutical pricing under Maryland's workers' compensation laws.

SB 306 Chesapeake-IWIF Testimony.pdf

Uploaded by: Lyndsey Meninger

Position: FAV



Testimony of Chesapeake Employers' Insurance Company and Injured Workers' Insurance Fund in Support of Senate Bill 306

Senate Bill 306 proposes to amend Labor and Employment, § 9-663, mandating the Workers' Compensation Commission to regulate fees and other charges for the reimbursement of prescription drugs and pharmaceutical services. This will be achieved by directing the Commission to utilize cost indexes based on acquisition costs and establishing dispensing fees within a pharmaceutical fee guide.

For the following reasons, Chesapeake Employers' Insurance Company and the Injured Workers' Insurance Fund support the bill.

At present, the Commission has a medical fee guide for medical services but does not have a fee guide for pharmaceutical services, dental services, or durable medical equipment. Without a fee guide for pharmaceutical services, certain pharmacies have exploited the system, resulting in excessive pricing disparities and rampant overcharging of insurers, counties, municipalities, and the State. The pricing disparities result from certain pharmacies utilizing "Average Wholesale Price (AWP)", usually with a percentage increase, which represents an artificial price set by manufacturers that does not reflect actual purchasing transactions.

For example, using data from all pharmaceutical paid fills in 2023 and 2024, Chesapeake Employers' Insurance Company and the Injured Workers' Insurance Fund paid \$4,153,225.37 for 37,362 prescriptions. Had AWP been utilized, the cost would have been \$10,416,555.49.

Chesapeake Employers' Insurance Company and the Injured Workers' Insurance Fund have committed not to pass these pharmaceutical costs onto our policyholders, counties, municipalities, and the State. By aligning our payments more in line with acquisition costs, as proposed by Senate Bill 306, the cost for the same prescriptions would have been \$3,032,031.51, excluding administrative and dispensing fees.

Unfortunately, many community stakeholders lack the resources or legislative mandate that Chesapeake Employers' Insurance has. Consequently, billed prices are often paid. For example, in Prince George's County, for 22,108 prescriptions paid in 2023 and 2024, the county was billed \$11,925,378.54 and paid \$10,294,373.66. The AWP for these prescriptions is \$10,928,800.34. However, using acquisition cost-based price indexes, as proposed by Senate Bill 306, the cost would have been approximately \$2,561,068.95, excluding administrative and dispensing fees.

Pharmacies exploiting the lack of a prescription fee guide often provide prescriptions for Labor and Employment, § 9-503 presumption claims, such as hypertension and heart disease for police officers and firefighters. These pharmaceuticals are commonly seen outside of workers' compensation claims, but the prices charged to insurers, counties, municipalities, and the State are significantly higher than acquisition or reasonable pricing, as illustrated in the chart below.

Medication	Use	Q	DS	Pharmacy Submitted Amount	AWP	NADAC ¹	WAC	MCCPD	Cash (low to high)	Paid Amount
Lisinopril 10 MG Tablet	High blood pressure/ACE inhibitor	90	90	\$111.60	\$89.10	\$1.71	\$6.30	\$11.76	\$6-31	\$17.79
Atorvastatin 20 MG Tablet	High Cholesterol (Lipitor)	90	90	\$623.70	\$519.63	\$2.49	\$8.13	\$11.69	\$10-38	\$12.88
Sildenafil 100 MG Tablet	Erectile Dysfunction	12	30	\$957.12	\$797.57	\$1.73	\$3.20	\$10.97	\$7-28	\$99.51
Tadalafil 20 MG Tablet	Erectile Dysfunction	6	30	\$524.46	\$432.86	\$1.52	\$4.00	\$11.20	\$10-73	\$247.75
Valsartan 160 MG Tablet	High blood pressure/heart disease	90	90	\$563.40	\$469.13	\$13.89	\$35.66	\$17.21	\$26-108	\$109.62
Amlodipine Besylate 10 MG Tab	High blood pressure/heart disease (Norvasc)	90	90	\$271.80	\$213.89	\$1.49	\$3.96	\$11.80	\$12-34	\$154.95

While many states have established pharmaceutical fee guides for workers' compensation, numerous guides were created over two decades ago and were created with outdated information. As the nation progresses towards better healthcare pricing, workers' compensation must ensure that stakeholders are accurately charged for pharmaceuticals. Notably, California and Massachusetts have adopted acquisition pricing for workers' compensation, and Medicaid in nearly all states, including Maryland, has also transitioned to acquisition pricing.

Maryland's businesses, counties, municipalities, and the State cannot financially sustain the current pricing structures within the workers' compensation system. Workers' compensation was designed to provide no-fault insurance to injured workers, facilitating the efficient delivery of medical and disability payments. However, this no-fault insurance was also intended to guarantee

¹ **NADAC:** National Average Drug Acquisition Cost (considered acquisition pricing). This is without a dispensing fee that Senate Bill 306 allows. **WAC:** Wholesaler Acquisition Cost (considered acquisition pricing). This is without a dispensing fee that Senate Bill 306 allows. **MCCPD:** Mark Cuban's CostPlus Drugs. This price is inclusive of manufacturing cost, plus 15%, plus processing and shipping, and is publicly available. **CASH:** The price in which a person could walk in and pay for their drugs in Maryland with no prescription card or plan.

cost containment for Maryland's businesses, counties, municipalities, and the State. Legislation should aim to uphold this principle, and Senate Bill 306 reinforces the grand bargain at the core of Maryland's workers' compensation system.

For these reasons, Chesapeake Employers' Insurance Company and the Injured Workers' Insurance Fund support Senate Bill 306.

*Contact: Carmine G. D'Alessandro, Esq.
Chief Legal Officer
Chesapeake Employers Insurance Company/IWIF
(410)-494-2305
cdalessandro@ceiwc.com*

*Lyndsey Beidle Meninger, Esq.
Vice President of Legal Services
Chesapeake Employers Insurance Company/IWIF
(410)-494-2057
lmenering@ceiwc.com*

SB 306 WC Drugs Index FIN 022525 UNF APCIA .pdf

Uploaded by: Nancy Egan

Position: FAV



Testimony of

American Property Casualty Insurance Association (APCIA)

Senate Finance Committee

Senate Bill 306 - Workers' Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements

February 25, 2025

Favorable

The American Property Casualty Insurance Association (APCIA) is a national trade organization whose members write approximately 67% of the U.S. property and casualty insurance market, including 90% percent of Maryland's workers' compensation market. APCIA appreciates the opportunity to provide written comments in support of Senate Bill 306.

This bill would require the State Workers' Compensation Commission to regulate fees and other charges for the reimbursements of prescription drugs and pharmaceutical services; and limiting covered reimbursements to a cost index or indexes. This would establish a pricing index using actual acquisition costs or something similar as long as the price base is the cost of drug plus a dispensing fee.

This bill will help regulate drug costs which could result in cost savings under workers' compensation policies which would be translated into lower costs for the employers and the public. The bill would also reduce uncertainty in drug reimbursement amounts and thus greatly reduce the amount of delays and disputes in the pharmaceutical reimbursement process.

For these reasons, APCIA urges the Committee to provide a favorable report on Senate Bill 306.

Nancy J. Egan,

State Government Relations Counsel, DC, DE, MD, VA, WV

Nancy.egan@APCIA.org Cell: 443-841-4174

SB306_Presentation

Uploaded by: Senator Beidle

Position: FAV

Senate Bill 306

EXAMPLES OF PHARMACEUTICAL PRICING IN WORKERS'
COMPENSATION

Chesapeake
Employers'
Insurance
Company and
the Injured
Workers'
Insurance Fund
Overall Data for
Paid Fills in
2023 and 2024

	Script Count:	Cost of Fills:	AWP Price:	Acquisition Pricing Example (NADAC, if not WAC)*
State:	20,144	\$2,268,944.87	\$5,162,360.88	\$1,341,590.75
CEIWC:	17,218	\$1,884,280.50	\$5,254,194.61	\$1,690,440.76
Total:	37,362	\$4,153,225.37	\$10,416,555.49	\$3,032,031.51

	Script Count:	Cost of Fills:	AWP Price:	Pharmacy Submitted Price:	Acquisition Pricing Example (NADAC, if not WAC)*
State:	3491	\$659,842.40	\$1,155,673.33	\$1,582,474.71	\$282,939.63
CEIWC:	2147	\$369,282.98	\$663,107.77	\$882,346.68	\$164,767.07
Total:	5638	\$1,029,125.38	\$1,818,781.10	\$2,464,821.39	\$447,706.70

Chesapeake Employers' Insurance Company and the Injured Workers' Insurance Fund Data for Paid Fills in 2023 and 2024 for Mail-Order Pharmacies

Chesapeake Employers' Insurance Company County Policyholders Paid Fills from 2023 - 2024

	AWP	Acquisition Pricing Example (NADAC, if not WAC)*	Pharmacy Submitted Amt	Paid Amt
Wicomico County	\$55,675.94	\$12,880.57	\$60,369.07	\$18,341.99
Calvert County	\$157,856.87	\$32,804.18	\$213,270.79	\$78,876.38
Caroline County	\$4,276.61	\$173.11	\$5,593.41	\$384.04
Somerset County	\$13,459.63	\$3,944.48	\$15,055.72	\$4,698.68
Kent County	\$33,886.11	\$12,544.83	\$42,296.60	\$13,333.32
Worcester County	\$5,249.32	\$631.94	\$6,647.44	\$1,563.84
Dorchester County	\$19,858.97	\$1,280.85	\$21,403.82	\$4,430.84
Talbot County	\$1,768.48	\$457.81	\$2,279.22	\$825.82
Totals:	\$292,031.92	\$64,717.76	\$366,916.07	\$122,454.91

Baltimore City Data for 2023 and 2024

	Transactions	AWP	Bill Amount	Pharmacy Submitted Amount
INN	15,094	\$4,859,679	\$2,947,260	\$2,947,260
OON	4,426	\$2,970,489	\$1,302,719	\$2,943,558
Total	19,520	\$7,830,168	\$4,249,979	\$5,890,818

Prince George's County Data for 2023 and 2024 Paid Fills

# of Scripts	Amount Billed	Amount Paid	Acquisition Pricing Example*	AWP
22108	\$11,925,378.54	\$10,294,373.66	\$2,561,068.95	\$10,928,800.34

Cost Savings Overview

	Retail	Mail Order	OON	TOTAL
Script Count	2610	80	0	2690
Fee Schedule	\$1,905,072.92	\$36,431.51	\$0.00	\$1,941,504.43
Total Paid Amount	\$788,095.57	\$13,700.03	\$0.00	\$801,795.60
Program Savings	\$1,116,977.35	\$22,731.48	\$0.00	\$1,139,708.83

Anne Arundel County Data from October 1, 2023 to September 23, 2024

	Average Submitted Amount by Out of Network Pharmacies	Average Paid Amount	Average NADAC, if not WAC plus \$15	Average AWP Amount
Top 15 for all Out of Network Mail Order Pharmcies				
OXYCODONE HCL (IR) 10 MG TAB	\$91.65	\$40.22	\$25.90	\$54.85
CYCLOBENZAPRINE 10 MG TABLET	\$114.17	\$41.11	\$16.23	\$65.20
AMLODIPINE BESYLATE 10 MG TAB	\$266.16	\$153.67	\$16.44	\$207.05
TIZANIDINE HCL 4 MG TABLET	\$288.18	\$131.23	\$20.24	\$188.78
GABAPENTIN 300 MG CAPSULE	\$170.49	\$29.19	\$19.80	\$102.21
OXYCODONE-ACETAMINOPHEN 5-325	\$50.41	\$8.34	\$18.27	\$39.76
TRAMADOL HCL 50 MG TABLET	\$69.36	\$9.10	\$16.50	\$45.16
SILDENAFIL 100 MG TABLET	\$1,656.07	\$490.36	\$20.21	\$1,364.73
CELECOXIB 200 MG CAPSULE	\$539.44	\$80.51	\$20.78	\$376.50
LIDOCAINE 5% PATCH	\$735.06	\$238.91	\$101.83	\$465.33
IBUPROFEN 800 MG TABLET	\$150.38	\$45.24	\$22.95	\$88.55
MELOXICAM 15 MG TABLET	\$223.67	\$46.33	\$15.67	\$152.22
AMLODIPINE BESYLATE 5 MG TAB	\$195.03	\$40.90	\$15.92	\$145.25
TRAZODONE 100 MG TABLET	\$87.87	\$22.56	\$18.04	\$65.28

Top Drugs filled by Out of Network Pharmacies per
Chesapeake Employers' Insurance and Injured Workers'
Insurance Fund in 2023 and 2024

Sample Exhibit from Baltimore City Prescription Hearing

Date	Name	NDC	Dosage	Pill Count	Cost Plus	NADAC	California	Alt. pricing (low)	Alt. pricing (high)	Billed	AWP	Paid Per Optum
5/18/2021	Valsartan	33342 0064 10	160mg	180	\$ 29.80	\$ 53.09	\$ 82.04	\$ 42.00	\$ 207.00	\$ 450.00	\$ 375.30	\$ 188.65
8/12/2021	Valsartan	51660 0142 90	160mg	180	\$ 29.80	\$ 50.64	\$ 89.65	\$ 42.00	\$ 207.00	\$ 118.80	\$ 99.28	\$ 50.64
Totals					\$ 59.60	\$ 103.73	\$ 171.69	\$ 84.00	\$ 414.00	\$ 568.80	\$ 474.58	\$ 239.29

10/26/2022	Valsartan	59746036290	160mg	180	\$ 29.80	\$ 43.61	\$ 252.57	\$ 42.00	\$ 207.00	\$ 1,067.40	\$ 890.72	\$ 446.36
Totals					\$ 29.80	\$ 43.61	\$ 252.57	\$ 42.00	\$ 207.00	\$ 1,067.40	\$ 890.72	\$ 446.36

10/17/2023	Valsartan	43547036909	160 mg	180	\$ 29.80	\$ 32.78	\$ 86.92	\$ 42.00	\$ 207.00	\$ 1,114.20	\$ 928.50	\$ 465.29
7/20/2023	Valsartan	43547036909	160mg	180	\$ 29.80	\$ 36.37	\$ 86.92	\$ 42.00	\$ 207.00	\$ 1,114.20	\$ 928.50	\$ 465.29
4/24/2023	Valsartan	43547036909	160mg	180	\$ 29.80	\$ 39.39	\$ 86.92	\$ 42.00	\$ 207.00	\$ 1,114.20	\$ 928.50	\$ 465.29
Totals					\$ 89.40	\$ 108.54	\$ 260.76	\$ 126.00	\$ 621.00	\$ 3,342.60	\$ 2,785.50	\$ 1,395.87

	Cost Plus	NADAC	California	pricing (low)	pricing (high)	Billed	AWP	Paid Per Optum
Combined totals	\$ 178.80	\$ 255.87	\$ 685.02	\$ 252.00	\$ 1,242.00	\$ 4,978.80	\$ 4,150.80	\$ 2,081.52

Sample Exhibit from Baltimore City Prescription Hearing

Date	Name	Dosage	NDC	Pill Count	Cost Plus	NADAC	California	Alt. Cash Price (low)	Alt. Cash Price (high)	Billed	AWP	Paid Per Optum
1/25/2023	Amlodipine	5mg	67877019810	90	\$ 11.80	\$ 0.95	\$ 9.12	\$ 9.00	\$ 46.00	\$198.00	\$161.00	\$198.00
5/20/2022	Amlodipine	5mg	29300039705	90	\$ 11.80	\$ 0.96	\$ 9.12	\$ 9.00	\$ 46.00	\$191.70	\$155.65	\$78.83
6/15/2022	Losartan	100mg	31722070290	90	\$ 16.30	\$ 9.04	\$ 12.58	\$ 14.00	\$ 73.00	\$335.70	\$275.60	\$137.64
9/8/2022	Losartan	100mg	43547036211	90	\$ 16.30	\$ 7.84	\$ 12.58	\$ 14.00	\$ 73.00	\$340.20	\$279.00	\$139.48
2/27/2023	Losartan	100mg	31722070210	90	\$ 16.30	\$ 6.64	\$ 12.58	\$ 14.00	\$ 73.00	\$335.70	\$275.60	\$137.64
	Totals				\$ 72.50	\$ 25.43	\$ 55.98	\$ 60.00	\$ 311.00	\$ 1,401.30	\$ 1,146.85	\$ 691.59

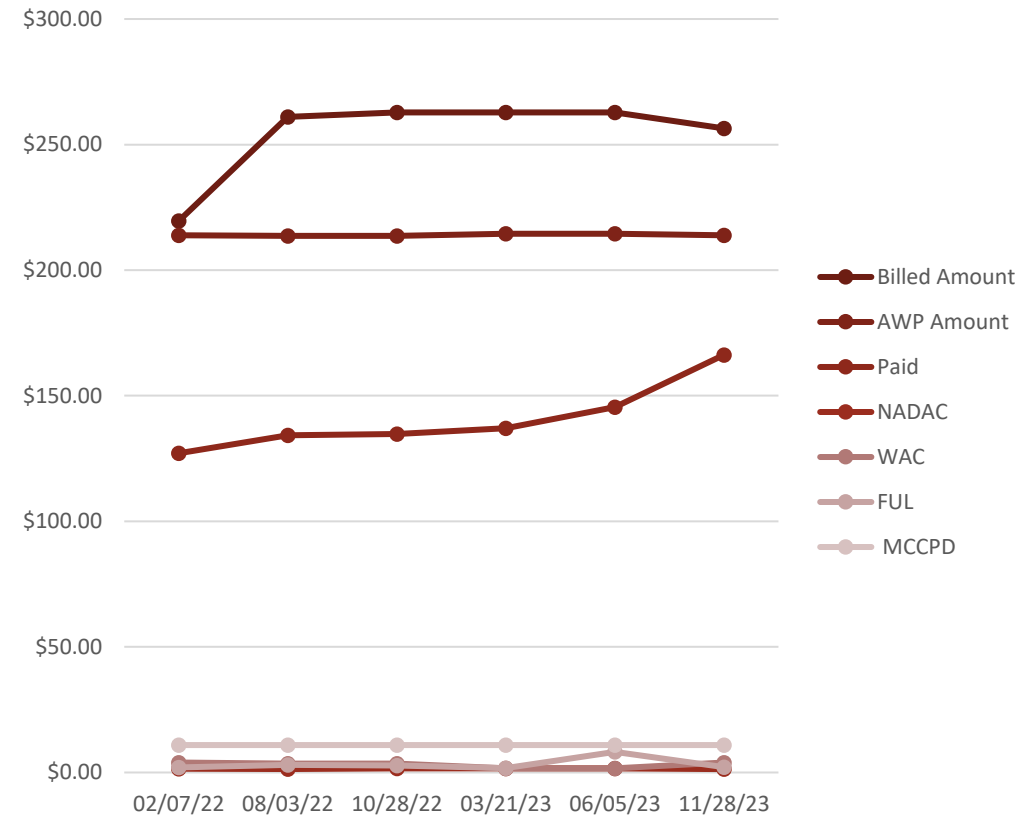
Sample Exhibit from a State of Maryland Prescription Hearing

Medication: AMLODIPINE BESYLATE 10 MG TAB

Use: High Blood Pressure/Heart Disease

Quantity: 90/Days Supply: 90

Fill Date	Billed Amount	AWP Amount	Paid	NADAC	WAC	FUL	MCCPD	Cash
02/07/22	\$219.60	\$213.89	\$127.10	\$1.43	\$3.96	\$1.95	\$10.91	\$12-34
08/03/22	\$261.00	\$213.65	\$134.27	\$1.36	\$3.47	\$3.01	\$10.91	\$12-34
10/28/22	\$262.80	\$213.65	\$134.81	\$1.57	\$3.47	\$2.74	\$10.91	\$12-34
03/21/23	\$262.80	\$214.50	\$137.06	\$1.65	\$1.64	\$1.73	\$10.91	\$12-34
06/05/23	\$262.80	\$214.50	\$145.49	\$1.58	\$1.64	\$8.20	\$10.91	\$12-34
11/28/23	\$256.50	\$213.89	\$166.26	\$1.33	\$3.96	\$2.10	\$10.91	\$12-34
Totals:	\$1,525.50	\$1,284.07	\$844.99	\$8.91	\$18.15	\$19.74	\$65.46	\$72-204



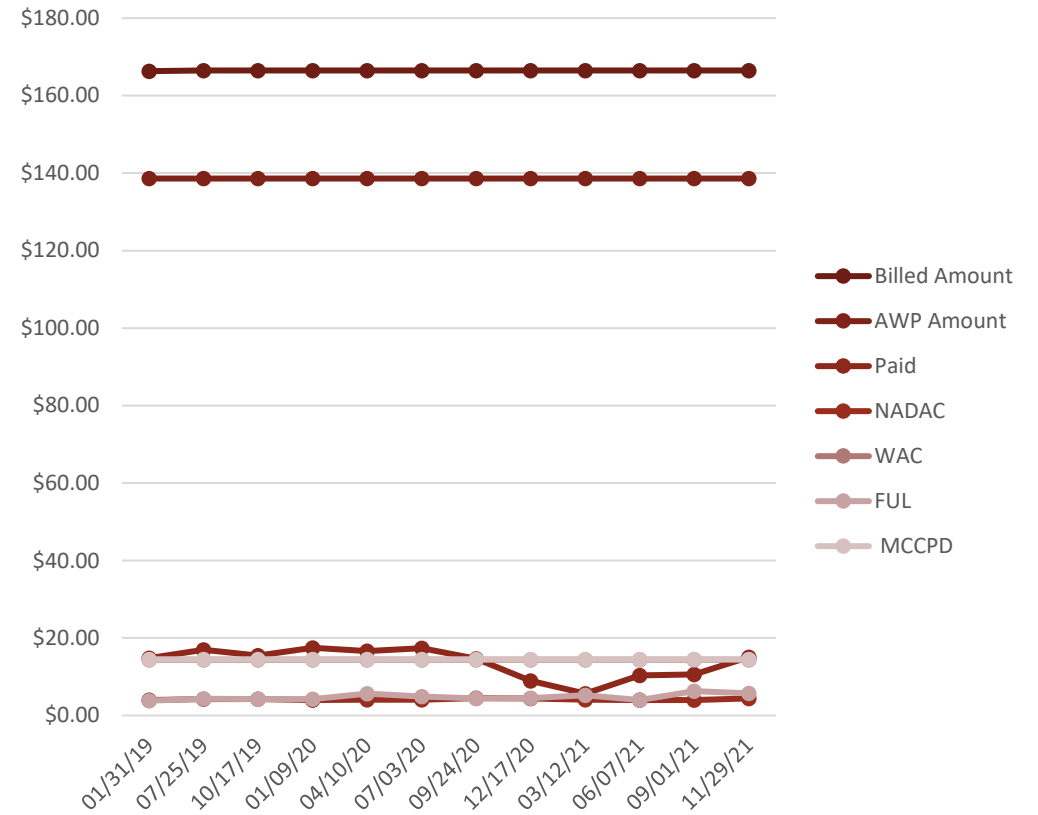
Sample Exhibit from a State of Maryland Prescription Hearing

Medication: LISINOPRIL 40 MG TABLET

Use: High Blood Pressure/Heart Disease

Quantity: 90 and **Days Supply:** 90

Fill Date	Billed Amount	AWP Amount	Paid	NADAC	WAC	FUL	MCCPD	Cash
01/31/19	\$166.32	\$138.60	\$14.81	\$3.98	\$14.40	\$3.83	\$14.50	\$11-27
07/25/19	\$166.50	\$138.60	\$16.97	\$4.21	\$14.40	\$4.33	\$14.50	\$11-27
10/17/19	\$166.50	\$138.60	\$15.48	\$4.26	\$14.40	\$4.26	\$14.50	\$11-27
01/09/20	\$166.50	\$138.60	\$17.48	\$4.03	\$14.40	\$4.20	\$14.50	\$11-27
04/10/20	\$166.50	\$138.60	\$16.64	\$4.10	\$14.40	\$5.62	\$14.50	\$11-27
07/03/20	\$166.50	\$138.60	\$17.34	\$4.10	\$14.40	\$4.94	\$14.50	\$11-27
09/24/20	\$166.50	\$138.60	\$14.64	\$4.48	\$14.40	\$4.45	\$14.50	\$11-27
12/17/20	\$166.50	\$138.60	\$8.91	\$4.37	\$14.40	\$4.46	\$14.50	\$11-27
03/12/21	\$166.50	\$138.60	\$5.65	\$4.04	\$14.40	\$5.22	\$14.50	\$11-27
06/07/21	\$166.50	\$138.60	\$10.39	\$4.02	\$14.40	\$4.02	\$14.50	\$11-27
09/01/21	\$166.50	\$138.60	\$10.59	\$4.03	\$14.40	\$6.29	\$14.50	\$11-27
11/29/21	\$166.50	\$138.60	\$15.10	\$4.40	\$14.40	\$5.73	\$14.50	\$11-27
Totals:	\$1,997.82	\$1,663.20	\$164.00	\$50.03	\$172.80	\$57.36	\$174.00	\$132-324



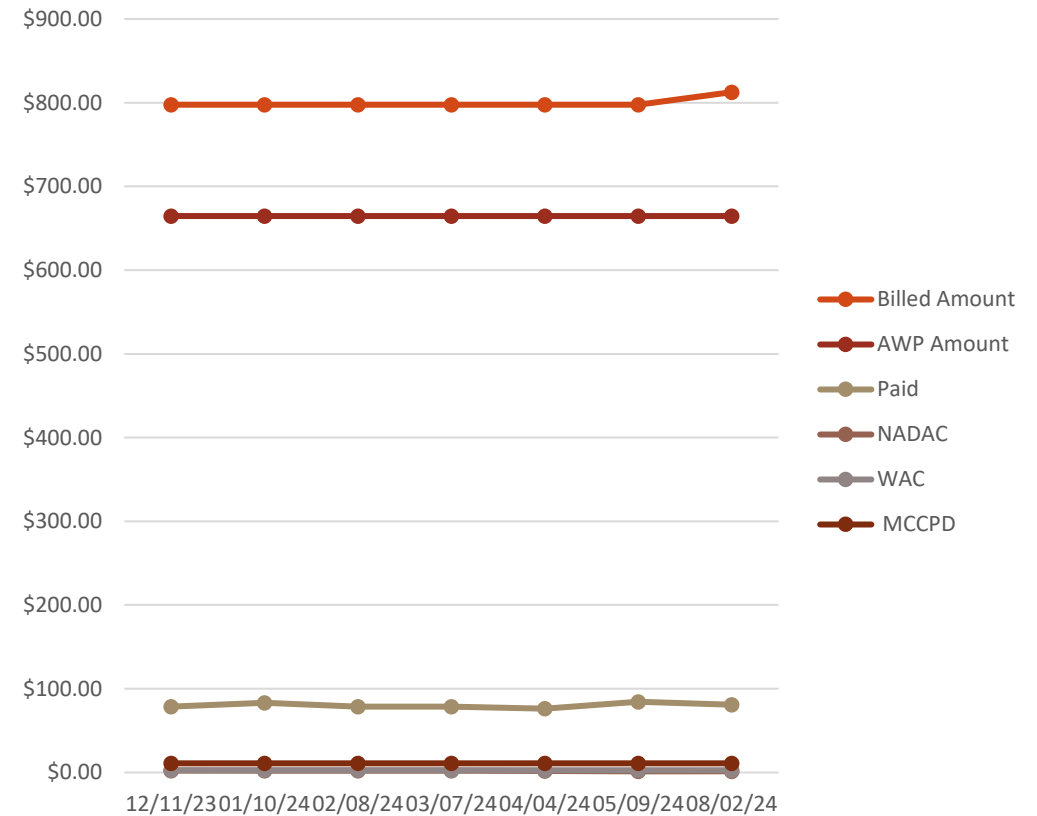
Sample Exhibit from a State of Maryland Prescription Hearing

Medication: SILDENAFIL 100 MG TABLET

Use: Erectile Dysfunction

Quantity: 10/**Days Supply:** 30

Fill Date	Billed Amount	AWP Amount	Paid	NADAC	WAC	MCCPD	Cash
12/11/23	\$797.60	\$664.64	\$78.79	\$2.32	\$2.67	\$10.90	\$7-21
01/10/24	\$797.60	\$664.64	\$83.26	\$2.19	\$2.67	\$10.90	\$7-21
02/08/24	\$797.60	\$664.64	\$78.79	\$2.04	\$2.67	\$10.90	\$7-21
03/07/24	\$797.60	\$664.64	\$78.79	\$2.00	\$2.67	\$10.90	\$7-21
04/04/24	\$797.60	\$664.64	\$76.21	\$1.91	\$2.67	\$10.90	\$7-21
05/09/24	\$797.60	\$664.64	\$84.45	\$1.34	\$2.67	\$10.90	\$7-21
08/02/24	\$812.60	\$664.64	\$80.82	\$1.36	\$2.67	\$10.90	\$7-21
Totals:	\$5,598.20	\$4,652.48	\$561.11	\$13.16	\$18.67	\$76.30	\$49-147



IWP Testimony for SB 306 .pdf

Uploaded by: Jayne Kresac

Position: FWA



February 25, 2025

Testimony for Maryland SB 306

Dear Chairwoman Beidle, Vice Chair Hayes, and members of the Senate Finance Committee,

Please consider our thoughtful response to the proposed workers' compensation pharmacy fee schedule delineated in SB 306 in advance of the hearing scheduled for February 25, 2025. First, thank you for your continued dedication to listening and addressing stakeholder concerns regarding the bill.

IWP is a national home delivery pharmacy specializing in workers' compensation servicing Maryland's injured workers for close to twenty years. Like other industry partners, we remain committed to enhancing our partnership to deliver quality care to injured workers throughout the state.

While IWP supports the intent of SB 306 to adopt a pharmacy fee schedule and create certainty in the billing and reimbursement process, we remain concerned about the specific language "acquisition cost" designated as the pricing mechanism.

SB 306 states "reimbursement under subparagraph (i) of this paragraph shall be limited to an index or indexes based on acquisition cost, calculated on a per unit basis, as of the date of dispensing and may include reasonable dispensing fees."

If SB 306 limits reimbursement to only acquisition cost, the bill would negatively impact injured workers' access to quality prescription care and limit their choice of pharmacy. The administrative hurdles embedded in the workers' compensation system far exceed those in the broader healthcare delivery system. As a result, independent pharmacies would be forced to assess whether the significantly lower reimbursements based on acquisition cost would allow them to continue serving injured workers.

States that implemented pharmacy fee schedules recognize the complexity of workers' compensation administration and opted to use the average wholesale price (AWP) instead of federal healthcare pricing methodologies such as actual acquisition cost (AAC), federal upper limit (FUL), wholesale acquisition cost (WAC), or national average drug acquisition cost (NADAC).

SB 306 directs the Workers' Compensation Commission to set the fee schedule at acquisition cost plus a reasonable dispensing fee, which is synonymous with NADAC. NADAC is rare in workers' compensation and was previously rejected by at least two states that considered moving away from AWP in recent years. For example, Kentucky considered a NADAC based pharmacy fee schedule and David Figg, a community pharmacy and pharmacy owner, pointed out during a stakeholder meeting with the Department that in the rural area he serves he is one of the few that provide pharmacy care to injured workers. He further stated that if the proposed rate were adopted, he would be forced to make a difficult decision. His reimbursement would be lower than the costs of products plus the administrative burden.

In Arizona, the Industrial Commission authorized a study to solicit information on new fee schedule models for consideration. NADAC was one of the initial proposals by the Commission and it was resoundingly rejected by providers and pharmacy benefit managers (PBMs), specifically Enlyte (formerly Mitchell). The pharmacy fee schedule in Arizona continues to be based on AWP mainly because NADAC pricing relies on voluntary information from provider surveys, while AWP is a published price from a nationally recognized third-party.

In part, the intent of the bill is also to relieve some of the administrative work put on the Workers’ Compensation Commission charged with resolving fee reviews between providers and payors. This bill will not solve that problem. NADAC pricing at the National Drug Code (NDC) level is not always available for all medications and it relies on voluntary surveys rather than published pricing that the Commission can refer to and settle. Furthermore, as a pharmacy with longstanding exposure in all state workers’ compensation systems, recent reports show that states with fee schedules do enjoy lower pharmacy costs even when set at AWP and some percentage added to AWP with a reasonable dispensing fee.

We have **a couple of recommendations for a fair solution for patients, providers, and insurers:**

First, IWP supports a Maryland pharmacy fee schedule to provide transparency in reimbursement. For example, IWP currently will send a bill to the largest payor in Maryland and receive approximately 50% of what is billed, with little to no explanation, outside of referencing the “reasonable rate” language within the statute. This transactional relationship creates a gap between invoiced vs. expected payment.

Second, Maryland should mirror most states and propose a pharmacy fee schedule based on AWP. AWP is an industry standard that is common nomenclature and easy to implement for PBMs and providers. AWP is a reference point, published by recognized national sources where payors benchmark the rates for reimbursement. According to the [Optum Pharmacy Resource Guide for 2024](#), 35 out of the 37 states with a fee schedule use AWP. The exceptions are North Dakota, a monopolistic state, and Massachusetts, which embeds their workers' compensation pharmacy reimbursement within the Medicaid statute —approaches Maryland should avoid.

State	Brand FS	Generic FS
Alabama	AWP +5% +\$10.75	AWP +5% +\$13.97
Alaska	AWP +\$5.00	AWP +\$10.00
Arizona	AWP -15% +\$7.00	AWP -25% +\$7.00
Arkansas	AWP +\$5.13	AWP +\$5.13
California	Medi-cal AWP -17% +\$7.25	Medi-cal AWP -17% +\$7.25
Colorado	AWP +\$4.00	AWP +\$4.00
Connecticut	AWP +\$5.00	AWP +\$8.00
Delaware	AWP -31.9% +\$3.29 DF	AWP -38% +\$4.10 DF
Florida	AWP +\$4.18	AWP +\$4.18
Georgia	AWP +\$4.74	AWP +\$7.11
Hawaii	AWP +40%	AWP +40%
Idaho	AWP +\$5.00	AWP +\$8.00



Kansas	AWP -10% +\$3.00	AWP -15% +\$5.00
		AWP of the lowest priced therapeutically equivalent in stock -15% +5.00
Kentucky	AWP -10% +\$5.00	
Louisiana	AWP +10% +\$10.99	AWP +40% +\$10.99
Massachusetts	Lesser of language- Medicaid	Lesser of language- Medicaid
Michigan	AWP -10% +\$3.50	AWP-10% +\$5.50
Minnesota	AWP -12% +\$3.65	AWP -12% +\$3.65
Mississippi	AWP +\$5.00	AWP-5% +\$5.00

Montana	AWP -10% +\$3.00	AWP-25% +\$3.00
Nevada	AWP +\$12.96	AWP +\$12.96
New Mexico	AWP -10% +\$5.00	AWP -10% +\$5.00
New York	AWP -12% +\$4.00	AWP -20% +\$5.00
North Carolina	AWP -5%	AWP -5%
North Dakota	\$4.00 DF MONOPOLISTIC	\$5.00 DF MONOPOLISTIC
Ohio	AWP -15% +\$3.50	AWP -15% +\$3.50
Oklahoma	AWP -10% +\$5.00	AWP -10% +\$5.00
Oregon	AWP -16.5% +\$2.00	AWP -16.5% +\$2.00
Pennsylvania	AWP +10%	AWP +10%
Rhode Island	AWP -10%	AWP -10%
South Carolina	AWP + \$5.00	AWP +\$5.00
Tennessee	AWP + \$5.10	AWP + \$5.10
Texas	AWP + 9% +\$4.00	AWP +25% +\$4.00
Vermont	AWP + \$3.15	AWP + \$3.15
Washington	AWP -10% +\$4.50	AWP -50% +\$4.50
Wisconsin	AWP +\$3.00	AWP +\$3.00
Wyoming	AWP -10% +\$5.00	AWP -10% +\$5.00

***Data was pulled from [Optum Pharmacy Resource Guide for 2024](#) ***

The current bill proposal would cripple the access and quality of care for injured workers and if passed, it would squarely put Maryland as one of the lowest reimbursement rates in the country.

Without pharmacies like IWP, too many injured workers would be left behind as coverage information may not be available at first fill with a retail pharmacy, and the validity of the claim may be in question for several refills. The result of the current proposal is that many injured workers will not receive adequate prescription coverage, which translates to a decline in return-to-work outcomes and, quite possibly ever-increasing medical interventions, driving up the total cost. The state fee schedule should function as a safeguard for injured workers, granting pharmacies the ability to diminish the uncertainty in obtaining quality prescription care.

We strongly urge the Committee to recommend that the Maryland Workers' Compensation Commission utilize its existing Medical Fee Guide Committee to review and compare other states' fee schedules, assess the impact of various pricing methodologies on pharmacy



reimbursement, patient access, and cost containment, and ensure Maryland's reimbursement model is sustainable, fair, and competitive with other state practices.

We thank the committee for its continued dedication to listening to and addressing stakeholder concerns regarding the proposed SB 306 Pharmaceutical Reimbursement in Workers' Compensation bill."

If you have questions or comments, please feel free to reach out to me directly at (978) 809-2148 or jkresac@iwpharmacy.com.

Thank you for your consideration.

Sincerely, Jayne Kresac, Esq.
VP of Legal, Government Affairs, and Communications, Injured Workers Pharmacy

SB306.MPhA.WorkersCompRx.pdf

Uploaded by: Aliyah Horton

Position: UNF



Date: February 25, 2025

To: The Honorable Pam Beidle, Chair, Senate Finance Committee

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

Cc: Members, Senate Finance Committee

Re: UNFAVORABLE - SB 306 – Worker’s Compensation – Prescription Drug and Pharmaceutical Services – Reimbursements

The Maryland Pharmacists Association (MPhA) urges an **UNFAVORABLE** report on **SB 306 – Worker’s Compensation – Prescription Drug and Pharmaceutical Services – Reimbursements**.

- Pharmacy stakeholders have continued to advocate for accurate, transparent, and appropriate reimbursement for drug acquisition and professional dispensing services.
- We agree that moving away from the “usual and customary” model is appropriate.
- We have issue with lines 9-11, specifically the ambiguous language that reimbursement “may include reasonable dispensing fees”.
- We believe there should be a cost “plus-plus” model for reimbursements.
 - Plus 1= baseline fee that is equivalent to the state’s Fee for Service dispensing fee, which is based on the state’s cost of dispensing survey.
 - Plus 2 =an enhanced dispensing fee to reflect the complex nature of workers' compensation prescriptions. The enhanced dispensing fee could be based on survey data of the average cost to support and dispense workers’ compensation scripts; or a standard percentage markup on the drug cost.
- If this reimbursement model is not addressed, this is another area of service that WILL be dropped by community pharmacies, which will further erode patient access to medication and pharmacy services.
- **Pharmacy dispensing fees for workers' compensation claims warrant a guaranteed dispensing fee schedule at a higher rate for several key reasons:**
 - 1. Administrative Complexity**
 - Additional documentation requirements
 - Multiple stakeholder coordination (employers, insurers, claims adjusters)
 - More complex billing procedures
 - Need to maintain separate records for legal/compliance purposes
 - Higher rejection/resubmission rates requiring additional staff time

2. Legal Requirements

- Stricter documentation standards for legal proceedings
- Need to maintain records for potential litigation
- Additional counseling documentation
- Compliance with state-specific workers' comp regulations
- More detailed injury/treatment correlation documentation

3. Clinical Considerations

- More complex medication review for workplace safety
- Additional DUR (drug utilization review) checks for workplace impairment risks
- Need to coordinate with occupational health providers
- More frequent communication with prescribers about work status
- Enhanced monitoring for abuse/misuse in injury cases

4. Financial Factors

- Higher claim rejection rates requiring appeals
- Increased staff time for claim follow-up
- Greater working capital requirements
- More complex accounts receivable management

These additional responsibilities and requirements justify higher dispensing fees that are guaranteed, not a “maybe”, to compensate for the increased operational costs and professional pharmacy staff support.

Letter to Senate re SB 306.pdf

Uploaded by: Brennan McCarthy

Position: UNF

BRENNAN McCARTHY & ASSOCIATES

1116 West Street, Suite C
Annapolis, Maryland 21401

Telephone: (443) 294-1083 Facsimile: (443) 200-6135

E-Mail: bmccarthy@brennanmccarthy.com

February 21, 2025

VIA ELECTRONIC SUBMISSION

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

Re.: Opposition to Senate Bill 306

Dear Sir/Madam:

My name is Brennan McCarthy, and I have been an attorney in Maryland since 1999. I am also barred in the United States District Court for the District of Maryland, the United States District Court for the District of Columbia, the United States Tax Court, the United States Court of Appeals for the District of Columbia Circuit, the United State Court of Appeals for the Fourth Circuit and the Supreme Court of the United States. In my career as an attorney, I have tried hundreds of cases in all areas of law, including family law, criminal defense and business torts. Since 2013, I have represented pharmacies before the Maryland Workers' Compensation Committee ("WCC") for reimbursements. I initially represented Injured Workers' Pharmacy ("IWP"), and I currently represent EZ Scripts and RescueMeds.

These hearings before the WCC have taken a familiar tone. My clients are reimbursed based on a "contract" rate with these carriers, yet do not have any such contract. They bring issues before the WCC, and at hearing the carriers provide various hypothetical reimbursement models including GoodRX, a coupon service that reflects co-pays, National Drug Acquisition Cost ("NADAC"), an ingredient-based model for the cost of drugs, and CostPlus, a drug manufacturer based in Dallas, TX that ships low-cost generic drugs that operates currently at a steep loss. None of these are the basis of the short pays rendered by these carriers to my clients, and none of these models reflect a typical reimbursement rate to a pharmacy. As an example, GoodRX prices reflect the amount the individual pays as a co-pay to a retail pharmacy, but on the "back end" of this transaction is a PBM payment to the pharmacy, with GoodRX taking a service fee for the transaction. My clients are not retail pharmacies.

In preparing for this area of practice, I have studied various reimbursement models for pharmacies in the injured workers space, and have represented my clients in thousands of claims

The Honorable Pamela Beidle

February 21, 2025

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against Chesapeake Workers' Insurance/IWIF, and to a lesser extent the City of Baltimore. These three (3) entities are the sole insurance providers that contest reimbursement rates. An occasional case will arise wherein the other 80 carriers in the State may contest a prescription, but this is usually based on an argument that the drugs shipped are unnecessary, not within the ambit of the injured worker's award, etc. Further, all but these three (3) insurance carriers primarily reimburse my client at Average Wholesale Price ("AWP") as set forth in Medispan and Red Book and often at plus 20%. It is important to note that the objection to pricing comes solely from Chesapeake/IWIF and the City of Baltimore in almost all cases. Further, the vast majority of prescriptions paid by these entities through their Pharmacy Benefit Managers ("PBM's") for pharmaceuticals is to in-network pharmacies at a contract rate, with the carriers paying the PBM at their own rate (usually AWP - .19%), with the PBM keeping the "spread." Thus, payment is through a third party PBM, and the difference between what is paid by the PBM and the reimbursement from the insurance carrier for that drug to that PBM is the PBM's profit.

I have also noted that my clients provide a unique and beneficial service for injured workers in the State of Maryland. Their model is based on the receipt of a prescription from a doctor, and the shipping of that prescription directly to the patient. My clients then seek reimbursement from the insurance carrier as an out-of-network provider. This doctor to patient model stands in direct contrast to the model employed by insurance carriers, which involves provision of prescriptions by a doctor to the carrier, a review of the pharmaceuticals prescribed by the carrier and/or the PBM, and approval or disapproval of the prescription upon review. This costs crucial time for any patient who should be receiving their medications, and places the injured worker's health in limbo while their medications are subjected to this review process. While this assures a maximizing of profits for the carrier, the needs and health of the patient are more often than not held hostage to the process itself. No patient's health should be placed on hold and at risk for a review process by an insurance carrier.

I have reviewed State Senate Bill 306, and its proposal to fix the price for reimbursement at acquisition cost of a drug plus an undefined dispensing fee. I have spoken to my clients, and while they do not oppose a reimbursement fee schedule for pharmaceuticals, the model proposed is radically low. Such a low reimbursement rate would adversely affect smaller pharmacies, including my clients, who ship prescriptions to injured workers in the State of Maryland. In other words, and in my opinion, this would drive any pharmacy, and particularly smaller community pharmacies, out of this space and would adversely affect care for any injured worker making claims under the Labor & Employment Article. It is an example where a bad result comes from the very best of intentions. Moreover, this would artificially place the patient in a market with fewer options, as smaller independent pharmacies would simply refuse to fill prescriptions to injured workers, and the entire control of their care would lie on the hands of the carrier. While the patient can certainly file "issues" before the WCC, this takes time while the patient is not receiving pharmaceuticals to ensure they are healed from their injuries.

The Honorable Pamela Beidle

February 21, 2025

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My clients are not adverse to a fee guide for pharmaceuticals, but the manner in which this bill has been proposed is not the proper manner for this to be addressed. Currently, Maryland Code, Labor & Employment § 9-663 requires that “[e]ach fee or other charge for medical service or treatment under this subtitle is limited to the amount that prevails in the same community for similar treatment of an injured individual with a standard of living that is comparable to that of the covered employee” and further requires that the WCC review its medical fee guide every two years for completeness and reasonableness. The law proposed is unnecessary, and the WCC can meet its obligations for review through a study that involve bringing together the parties and material experts that would be most affected by such a guide, including pharmacies, carriers and PBM’s, to identify what a fair fee guide should be moving forward. I would note that 36 states use AWP plus or minus as their reimbursement model. Yet in the states that I have reviewed, each of these formulas were reached following a robust debate and study process, which included pharmacies who are uniquely positioned to address the particular challenges in their industry.

The WCC in fairness attempted this in 2023, including an acquisition-based reimbursement system, and could not reach a conclusion. During one memorable meeting, stakeholders, including PBM’s and pharmacies, voiced their opposition and reasoning in opposing an acquisition-based reimbursement system. Of particular note, the WCC fee guide committee did not contain a single pharmacy or pharmacy expert as a participant. It was thus fatally flawed from the outset. This can be easily remedied moving forward with the recommendations I have set forth *supra*. This can also act to make the model for reimbursement one that takes into account the complex issues in the workers’ compensation space, increases and maintains competition, and avoids cost shifting to government programs, such as Medicaid, that often accompanies low drug reimbursement and subsequent refusal by pharmacies to ship prescribed drugs to injured workers.

In conclusion, the considerations for a fee guide are not so simply applied, and material expertise is absolutely required to come up with a fair system for reimbursement grounded in financial realities within the industry. This assures an approach with set fees for pharmaceuticals that are based on all of these considerations. It further provides for the very best of health outcomes for injured workers, who are free to receive their medications from a pharmacy of their choice while avoiding the attorney fees incurred by the carriers and pharmacies involved and frustration incumbent with the current pharmacy docket system being litigated every month before the WCC between my clients and primarily three (3) insurance carriers.

The Honorable Pamela Beidle

February 21, 2025

Page 4 of 4

Thank you for your kindly consideration.

Respectfully,

/s/ Brennan C. McCarthy

Brennan C. McCarthy

BCM

Colleen Shields - Testimony for MD Bill 306.docx.p

Uploaded by: Colleen Shields

Position: UNF



1994 Moreland Pkwy Ste 3B
Annapolis, MD 21401

o. 844 • 943 • 7637
m. 410 • 507 • 7964
f. 443 • 837 • 9332
www.rescuemed.com
info@rescuemed.com

February 25, 2025

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

Re: **SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements - OPPOSE**

Dear Chair Beidle, Vice Chair Hayes and Members of the Senate Finance Committee:

I am the founder and CEO of RescueMeds, a pharmacy based in Annapolis, Maryland, specializing in supporting injured workers by filling their prescriptions both before their final compensability is determined and throughout the injury lifecycle.

I write to strongly oppose **SB306**, which seeks to implement a **Fee Guide for prescription reimbursement at Acquisition Cost, (widely known as "NADAC")**. This bill would impose an unsustainably low reimbursement rate, jeopardizing the ability of pharmacies like RescueMeds to continue operating. If enacted, SB306 would result in **pharmacy closures, widespread refusal by pharmacies to process workers' compensation prescriptions, and, most critically, injured workers losing access to the medications they need for recovery**. The consequences of SB306 would be devastating—not just for pharmacies but, most importantly, for the injured workers the system is designed to protect.

SB306 will eliminate competition and is an example of unfair trade practices intended to enrich insurance carriers, deprive injured workers from care, and subvert the Fee Guide Committee for a Unilateral Decision.

Workers Compensation insurance carriers are well-known for denying, declining and delaying care. Some believe such tactics will make an injured worker "give up" and walk away from their claim. Others think it's a systematic flaw that we can't do anything about. In an effort to focus on what we can agree on-

Everyone can agree that injured workers are:

1. Entitled to medical care and lost wages
2. Should have treatment quickly and efficiently
3. Should have access to providers who will give them adequate care.
4. Should be treated with respect and without retaliation.
5. Should not be cost-shifting the financial burden onto other payers like Medicaid.

The harshness of SB306 can be perceived to be part of an overall campaign to **prevent**: access to care, delay care, eliminate competition, retaliate against provider pushback, and cost-shift to Medicaid.

SB306 PREVENTS ACCESS TO CARE

Access to Care: It's important to have access to all providers (not just those "selected" by an insurance company). Acquisition Cost/NADAC is drastically low reimbursement which will effectively eliminate pharmacies such as mine in the market. It will eliminate physician dispensing and limit access to care for the injured.

SB306 DELAYS CARE

According to the [Maryland Workers Compensation Annual Report](#), 47.5% of claims filed annually are **CONTESTED** by the insurance carrier. That means that 10,285 injured workers must go through months of hearings and aggravation in order to be given access to medical treatment. Currently, instead of waiting months or years for medical treatment, companies like mine and physicians treat and provide medications with **no guarantee of payment. We might actually receive no reimbursement at all.** The NADAC methodology **eliminates competition**, thereby eliminating the ability for these 10,285 people to get the care they need until their case is deemed compensable, delaying care.

SB306 ELIMINATES COMPETITION

Insurance companies deploy the assistance of Pharmacy Benefits Managers, which then reimburse the insurers in rebates from manufacturers. Such an arrangement incentivizes insurers to direct and steer patient care to their own PBM. SB306 eliminates competition in the marketplace due to reimbursement rates that are not sustainable for workers comp pharmacies or self-dispensing doctors. Such an elimination would potentially enrich insurers and their PBM's at the expense of small business and injured workers.

SB306 COST-SHIFTS THE RESPONSIBILITY OF THE INSURANCE COMPANY TO TAXPAYERS

When an injured worker is denied coverage by their workers comp insurance company, and they have no alternatives like RescueMeds or Physician dispensing, they use alternative means like Medicaid. The practice, known as "Cost-Shifting" will shift the burden of payment to the MD taxpayer, instead of the company that owes the bill.

CHESAPEAKE/IWIF REFUSING A MIDDLE GROUND

Chesapeake/IWIF have instituted a legal team and an expert to fight small providers who dispute a contracted reimbursement rate to which they are not a party. Much of these funds are taxpayer dollars. They **refuse to participate** in constructive "Pre-Trial" conferences designed to mitigate disputes, a mechanism proven to be very effective in avoiding more expensive hearings. They have **refused to cooperate** in meaningful conversation about a contract set aside between respective parties.

MD WORKERS COMP FEE GUIDE COMMITTEE RECOGNIZED NADAC WAS NOT THE SOLUTION

The Medical Fee Guide Committee (MFG) of the Worker's Compensation Commission, was tasked with examining prescription costs but has not conducted follow-up analysis since its November 27, 2023 meeting. Members were scheduled to meet on January 11, 2024, but in fact, never met. This meeting never occurred, and the Fee Guide never convened again. (See Meeting Notes [here.](#))

In those official minutes of the MFG in November of 2023, it states, "**A suggestion was made to obtain data from surrounding states that have prescription fee guides to compare prescriptions costs and determine what 'guardrails' might be needed if a prescription fee guide is adopted.**" [Emphasis added].

We agree with this assessment. One could speculate why nothing was done because Mr. D'Alessandro (noted in the MFG meeting notes) advocated for a NADAC/Acquisition Cost Methodology. He was the only person in the notes who did so. Other experts disagreed. In fact, Mr. D'Alessandro knew at that time, that out of 50 states, zero in 2023 - and to the day of this hearing - none use "Acquisition Cost" methodology for Worker's Compensation. ***That could be the reason why this bill is before you today, he failed to convince the MFG committee to his position.*** Over 35 states use an AVERAGE WHOLESAL PRICE (AWP) reimbursement mode, none use an Acquisition Cost model. [See: 2024 Optum Pharmacy Guide.](#)

There is a reason 'Acquisition Cost' aka "NADAC" has not been adopted by a large number of states. Acquisition/NADAC model does not:

1. Does not contemplate that pharmacies have vastly different "acquisition costs" or have a mechanism to account for this fact.
2. Does not contemplate/consider what happens when pharmacies are simply not paid due to dispute.
3. Does not contemplate delivery fees.
4. Does not contemplate shortages and changes in costs.
5. Does not accommodate injured workers during disputes.
6. Does not account for over 30% of meds dispensed.
7. Does not account for Mail Order or Specialty medications.
8. Does not account for Physician Dispensing.

SB306 IS UNILATERAL: STATUTORY DETERMINATION IN PRESCRIPTION REIMBURSEMENT IS NOT UNILATERAL AND REQUIRES STAKEHOLDER INPUT

SB 306 is a statutory determination that should be resolved in the regulatory process where a comprehensive workgroup with all stakeholders at the table can review what other states are doing and why. This is similar to what the Prescription Drug Affordability Board does. Maryland State Legislature has already contemplated such action and in doing so created PDAB Statute, Health Article 21-2C-07 and 08. The protocol for

determination of fee guide changes is accompanied by cost determination, affordability and transparency through a Stakeholder Council.

PHARMACIES SHOULD BE INCLUDED IN THE FEE GUIDE COMMITTEE, AS WELL AS INJURED WORKERS

Critically, no pharmacies were consulted in developing the proposed reimbursement structure, despite their central role in providing care. We strongly urge the Committee to reconvene and include all stakeholders, including:

- A pharmacy representative specializing in workers' compensation
- A Maryland resident with a Permanent Partial Disability (PPD)
- Other relevant healthcare and insurance experts

The Prescription Drug Affordability Stakeholder Council provides an excellent model for inclusive, data-driven policy decisions. SB306 should not proceed without a similar multi-stakeholder analysis to assess the true impact on injured workers and access to care. See Health Article, 21-2C-04.

The Harsh Reality For Marylanders: Denials, Delays, and Contested Cases

The workers' compensation system is already fraught with challenges, including frequent delays, denials, and contested claims:

- 87,262 First Reports Injury by an Employer of an Employee in 2023
- 21,661 Formal Claims Filed by an Injured Party
- 10,285 Contested Cases by the Carriers (Insurance Companies)
- 599 Cases Ultimately Denied by the Workers' Compensation Committee

[Maryland Workers Compensation Annual Report, 2023](#)

So what do these figures show? Here's the answer and the questions you must answer as the policymakers and guardians of taxpayer money and the rights of injured workers.

DENIALS AND FRIVOLOUSLY CONTESTING INJURED WORKERS OCCURS ALMOST 50% OF THE TIME. THE RESULT IS WINNING LESS THAN 6% OF THE TIME ON TAXPAYER MONEY (for IWIF).

In workers compensation, the carrier can CONTEST an injury, which results in a CONTESTED STATUS - MEANING NO HEALTHCARE IS AUTHORIZED. This **significant GAP** in care is where small providers like RescueMeds step in to help the injured, with no guarantee of payment. The questions must be asked:

- Is Chesapeake/IWIF frivolously denying medical coverage to injured workers?
- Are these denials, delays justified?
- How much taxpayer money is being spent on attorney fees denying medical coverage, when the statistics say that less than 6% (599 cases out of 10,285) of those denials involving thousands of hours to fight, are actually “successful” (aka denied claims by the Court)?
- Is it right that Chesapeake/IWIF attempts to force their contracts onto providers who are not a party to the contract? And if they do not comply, they institute policies to eliminate them?
- Is it right there has been no study, no understanding and apparently no effort to understand the net affect of eliminating providers and services to injured workers?
- Is it right that the Maryland Workers Comp Fee Guide Committee, in which multiple stakeholders, recommended further examination of the pharmacy reimbursement issue should be circumvented by SB306?

STATE MONEY SPENT ON FRIVOLOUS DISPUTES DESIGNED TO OUTSPEND COMPETITION IN LITIGATION

As a state entity run by a private company, there should be a heightened level of responsibility not to litigate frivolously. When compared to the total amounts being disputed, to the total potential benefits, the legal fees far outweigh the amount in dispute, as can be illustrated in the following: The total payments to RescueMeds in 2024 provided to me by Chesapeake and IWIF are: \$16,789.32 from Chesapeake and \$8,269.14 from IWIF. It seems the legal fees to fight these miniscule amounts, must be significantly more.

A full and complete audit of Chesapeake and IWIF would reveal how much they are spending in legal fees in their pursuit to eliminate competition, delay and deny care. It would also reveal exactly which company is financing these activities. The same attorney represents both IWIF and Chesapeake in court proceedings, as does the same expert. Who pays for the billable hours of the legal team? The state? Or Chesapeake? How do we know? When was the last audit? Why should the State be paying for a private entity’s litigation?

Filling the Gap: The Role of Specialty Workers’ Compensation Pharmacies

During this “gap” period, when insurers delay or contest liability, specialty pharmacies like RescueMeds step in to ensure injured workers receive the necessary medications.

Unlike traditional retail pharmacies, workers' compensation pharmacies dispense medications even without a guarantee of payment, often waiting months or even years for reimbursement.

CHALLENGES OF WORKERS COMP PHARMACY VS RETAIL PHARMACY

Challenge	Workers' Comp Pharmacies	Retail Pharmacies
Handle complex workers' comp cases	✓	✗
Require entire medical records for each prescription	✓	✗
Guaranteed payment for prescriptions	✗	✓
Frequent under payments from insurers	✓	✗
Payment delays (220-day average)	✓	✗
Specialization in workers' compensation claims	✓	✗
Contracted with PBMs (leading to non-payment risk)	✗	✓
Litigation costs due to denied payments	✓	✗
Frequent under short payments from insurers	✓	✗
Preauthorization limitations	✗	✓
Coordination with attorneys for appeals	✓	✗

The added burden of medical records submission, preauthorization, and follow-up with insurers makes workers' compensation pharmacy operations significantly more complex than standard retail pharmacy dispensing.

What Happens If Injured Workers Cannot Get Their Prescriptions?

If pharmacies refuse to fill workers' compensation prescriptions due to low reimbursement rates, injured workers will have limited options:

1. Pay Out-of-Pocket at AWP, or "Cash" Prices –
2. Go Without Medications – Leading to worsened medical conditions and delayed recovery.
3. Turn to Medicaid or Other Payors – Causing cost-shifting to Maryland taxpayers.

Cost-Shifting to Medicaid: An Inevitable Consequence

When injured workers are denied access to their medications under workers' compensation, they often rely on Medicaid instead. This cost-shifting directly impacts Maryland's Medicaid program, increasing expenses for taxpayers while shifting the financial burden away from insurers.

In summary,

SB306 is the result of a confluence of events, and a circumvention of stakeholder input.

February 2022 MWCC created a "prescription docket"- attendees primarily EZ Scripts, RescueMeds, Chesapeake, City of Baltimore, eliminating the traditional "Order Nici" and requiring all "Issues" or short-payments by insurance carriers to go to a Hearing.

January 2023 MD Workers Comp Fee Guide Committee (FGC) was created. No pharmacy or pharmacist was on the Committee. Carmine D'Alessandro CEO of Chesapeake Employers was on the Committee and expressed his will to make the Fee Guide NADAC. Disagreement ensued.

October 2023- FGC public comment was held, with the vast majority of stakeholders promoting Average Wholesale Price (AWP) as the best option.

November 2023- FGC Met and decided the matter needed further review and a study of other state's Workers Comp Fee Guides was necessary. They were to meet in January 2024.

Jan 2024- FGC meeting canceled.

Jan 2025- SB306 was introduced, with no additional study, no FGC considerations, no apparent further input or requests to address the concerns of other stakeholders. The one consistency is the ‘minority of one’ suggestion from the Nov. 2023 FGC proposal – ‘Acquisition Cost’/NADAC.

Alignment with the Maryland Workers’ Compensation Commission’s Mission

The Maryland Workers’ Compensation Commission’s mission and vision emphasize **timely and equitable administration of benefits** for injured workers:

Mission:

"The Maryland Workers’ Compensation Commission seeks to secure the equitable and timely administration of the provisions of the Maryland Workers’ Compensation law on behalf of its customers, the injured workers and their employers, by providing an efficient forum for the resolution of individual claims."

Vision:

"The Workers’ Compensation Commission envisions a state wherein injured workers and employers are empowered to create an equitable partnership to facilitate prompt and fair resolution of workers’ compensation matters."

By **drastically cutting pharmacy reimbursements, SB306 contradicts these principles**, introducing new barriers to care instead of facilitating access for injured workers.

Understanding Workers’ Compensation: The “Grand Bargain”

Workers’ compensation was created as a **mutual agreement**—a “**Grand Bargain**”—to protect **injured workers while limiting employer liability**. This system involves multiple stakeholders, including **Commissioners, insurers, Pharmacy Benefit Managers (PBMs), Third-Party Administrators (TPAs), vocational rehabilitation providers, physicians, attorneys, and pharmacies**, all of whom collaborate to provide care for Maryland’s injured workers.

The system is inherently **complex and highly litigious**, meaning even minor changes can **trigger significant, unintended consequences** for patient care and access.

Lack of Justification for SB306

There is **no data-driven justification** for the drastic reimbursement cuts proposed in SB306.

- **No studies have demonstrated that prescription costs are a burden to insurers.**
- **No evidence has been provided to show prescription coverage is driving up workers' comp insurance rates.**
- **The state's largest insurer, Chesapeake Employers Insurance Fund, has seen a 37% rate decrease and recently returned over \$50 million in excess funds to policyholders, there is no evidence to suggest prescription costs are causing harm.**
- **Their legal fees to contest cases where they only prevail in 5% of the cases may well exceed any of the amounts they pay to my company RescueMeds.**

Conclusion: A Call for Sensible Policy

SB306, as written, threatens the **viability of workers' compensation pharmacies, the stability of the system, and—most critically—the health and well-being of Maryland's injured workers.**

We **strongly urge the Committee to reject SB306** and instead engage **all stakeholders** in a transparent, data-driven analysis of workers' compensation pharmacy reimbursement.

Please review my attached suggested reasonable and compromise Amendments to SB 306 that will provide the guidance and 'guardrails' for the Workers' Compensation Commission to produce the best policy outcome for all Marylanders.

Thank you for your time and consideration.

Colleen Shields

Sincerely,

Colleen Shields
Founder & CEO
RescueMeds LLC

SB306 RescueMeds Amendments.pdf

Uploaded by: Colleen Shields

Position: UNF

SENATE BILL 306

K1

5lr0818

By: **Senator Beidle**

Introduced and read first time: January 13, 2025

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation – Prescription Drug and Pharmaceutical Services –**
3 **Reimbursements**

4 FOR the purpose of requiring the State Workers' Compensation Commission to regulate
5 fees and other charges for the reimbursement of prescription drugs and

6 pharmaceutical services; [limiting reimbursements to a certain cost index or
7 indexes;]

8 and generally relating to reimbursement for prescription drugs and pharmaceutical
9 services under workers' compensation law.

9 BY repealing and reenacting, with amendments,

10 Article – Labor and Employment

11 Section 9–663

12 Annotated Code of Maryland

13 (2016 Replacement Volume and 2024 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

15 That the Laws of Maryland read as follows:

16

17 9–663.

Article – Labor and Employment

1 (a) (1) The Commission shall adopt regulations setting standards for the
2 assessment of fines under § 9–664 of this Part IX of this subtitle.

3 (2) The Commission may adopt regulations about:

4 (i) the provision of medicine and medical, nursing, and hospital
5 services to a covered employee;

(ii) payment for the medicine and services; and

EXPLANATION: Capitals indicate matter added to existing law.

[Brackets] indicate matter deleted from existing law.

1 (iii) the exercise by the Chairman of the Commission of the powers
2 granted under § 9–662 of this subtitle.

3 (b) (1) The Commission **SHALL**[may] regulate fees and other charges for
4 medical
5 services or treatment under this subtitle.

5 (2) (i) **The Commission shall regulate fees and other
6 CHARGES FOR THE REIMBURSEMENT OF PRESCRIPTION DRUGS AND
7 PHARMACEUTICAL SERVICES UNDER THIS SUBTITLE.**

8 (ii) **Reimbursement under subparagraph (i) of this
9 PARAGRAPH SHALL BE DETERMINED BY THE MEDICAL FEE GUIDE COMMITTEE IN
10 CONSULTATION WITH ALL RELEVANT STAKEHOLDERS USING A STATE BY STATE
11 COMPARISON OF PRESCRIPTION DRUG REIMBURSEMENT MODELS, INCLUDING
12 AVERAGE WHOLESALE PRICE, AND REASONABLE DISPENSING FEES TO PROVIDE
13 IMMEDIATE ACCESS TO PRESCRIPTION DRUGS FOR INJURED WORKERS
14 REGARDLESS OF THE STATUS OF ANY CLAIMS OR CONTESTED MATTERS BEFORE THE
15 WORKERS' COMPENSATION COMMISSION [LIMITED TO AN INDEX OR INDEXES BASED
16 ON ACQUISITION
17 COST, CALCULATED ON A PER UNIT BASIS, AS OF THE DATE OF DISPENSING AND MAY
18 INCLUDE REASONABLE DISPENSING FEES].**

12 (3) Each fee or other charge for medical service or treatment under this
13 subtitle is limited to the amount that prevails in the same community for similar
14 treatment
15 of an injured individual with a standard of living that is comparable to that of the covered
16 employee.

16 [(3)] (4) At least once every 2 years, the Commission shall:
17 (i) review its guide of medical and surgical fees for completeness
18 and
19 reasonableness; and
20 (ii) make appropriate revisions to the guide of medical and surgical
21 fees.

21 **SECTION 2. THE COMMISSION SHALL REPORT BACK BY DECEMBER 1, 2025, WITH ITS
22 RECOMMENDATION AND CHOICE FOR THE PRESCRIPTION DRUG REIMBURSEMENT
23 MODEL TO THE SENATE FINANCE COMMITTEE AND THE HOUSE ECONOMIC MATTERS
24 COMMITTEE.**

22 **SECTION 3 [2] . AND BE IT FURTHER ENACTED, That this Act shall take effect
23 [October] JULY 1, 2025.**

SB 306 Opposition 02 25 25 EZ Scripts.pdf

Uploaded by: Darren Thomas

Position: UNF

February 25, 2025

The Honorable Pamela Beidle
Chairman Senate Finance Committee
3 East Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Senate Bill 306 – OPPOSE

Madame Chairman, Vice Chairman, and Members of the Committee,

EZ Scripts Pharmacy is a national home delivery pharmacy specializing in serving injured workers. We respectfully submit this testimony in opposition to Senate Bill 306, which proposes significant changes to the reimbursement structure for prescription drugs and pharmaceutical services under Maryland's workers' compensation law. Specifically, the bill:

- Limits reimbursements to the acquisition cost, calculated per unit at the time of dispensing, with possible inclusion of reasonable dispensing fees.
- Grants the State Workers' Compensation Commission authority to regulate these reimbursement fees and charges.
- Requires the Commission to establish new regulations, effective October 1, 2025.
- Mandates regular review and updates to medical fee guidelines.

Concerns with Senate Bill 306

While we do not oppose the establishment of a reimbursement fee schedule for workers' compensation medications, we strongly urge a thorough evaluation with interested stakeholders to prevent negative consequences on Maryland's workers' compensation system.

Potential Disruptions to Standard Reimbursement Practices

Unlike many states, Maryland does not currently have a fee schedule for medication reimbursements under workers' compensation. In most states with fee schedules, reimbursements are based on Average Wholesale Price (AWP), a widely used industry standard. In states without a fee schedule, Pharmacy Benefit Managers (PBMs) typically reimburse out-of-network pharmacies at AWP or use a formula derived from AWP. Workers' compensation PBM processing systems are built to calculate National Drug Codes (NDC) based on AWP. This is because workers compensation systems are not structured like healthcare systems that generally use acquisition cost-based pricing. Acquisition cost-based pricing (such as using the National Average Drug Acquisition Cost (NADAC) database or similar methodologies) would disrupt existing industry-standard processes, impacting all stakeholders.

Risks to Injured Workers and Employers

Radical changes to reimbursement structures can create significant challenges. One major concern is reduced access to medications, as the complexity of workers' compensation may lead pharmacies to opt out of servicing these claims. Additionally, cost shifting could occur, potentially increasing out-of-pocket expenses for injured workers and transferring costs to other insurance programs. Furthermore, adjusting pharmacy benefit manager (PBM) payment processing to accommodate Maryland's unique carve-outs would likely result in higher administrative costs, which could ultimately be passed on to Maryland employers.

Need for a Thorough Study

Before implementing such a significant change, a comprehensive study of Maryland's current pharmacy reimbursement practices is necessary. Further, a study should be conducted by the Workers' Compensation Commission and stakeholders, including but not limited to pharmacies servicing injured workers. Any changes to Maryland's workers' compensation system must prioritize access to necessary medications and ensure injured workers can recover without unnecessary hardship. Without a clear understanding of the impact, the bill could create barriers to care, delaying recovery for injured workers.

For these reasons, EZ Scripts Pharmacy urges an **unfavorable report on Senate Bill 306**. Thank you for your time and consideration.

Darren Thomas

Darren Thomas
Chief Operating Officer

Donald Kelley - Testimony for MD Bill 306.pdf

Uploaded by: Donald Kelley

Position: UNF

February 21, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

My name is Donald Kelley and I was a career firefighter/paramedic for a local jurisdiction for over 35 years. I retired a little earlier than planned due to a cardiac arrest event at work. Due to the unwillingness of the jurisdiction to consider it a work related injury, I was forced to use almost a year's worth of my sick leave before the Worker's Comp. The administrator forced the jurisdiction to return my leave. I currently work part time teaching CPR and transporting transplant teams and organs.

I'm concerned about SB 306, especially the part where it says "Reimbursement ... shall be limited to an index or indexes based on acquisition cost ... " I'm concerned this will tend to drive some pharmacies out of business - making it more difficult for people - especially those dealing with Worker's Compensation - to obtain medications when needed. I currently use RescueMeds Work Injury Pharmacy for my necessary Worker's Comp. medications. They are the epitome of a "small town pharmacy", with their excellent, personalized customer service. They, along with other smaller pharmacies will have a hard time staying in business if SB 306 is passed. This will make it harder for people to obtain the medications they need to take because of their job related injuries.

Thank you,

A handwritten signature in black ink that reads "Donald Kelley". The signature is written in a cursive, flowing style.

Donald Kelley

Donald Poole - Testimony for MD Bill 306.pdf

Uploaded by: Donald Poole

Position: UNF

February 21, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

Hello, my name is Donald Poole. I am a retired firefighter for Prince George's County Maryland. I served as a firefighter with a couple different localities in the state of Maryland. I started off in La Plata as a volunteer and continued my adventure with the Prince George County firefighter, retiring as a battalion chief.

I'm writing today regarding Senate bill 306.

As a recipient of Workmen's Compensation medications for the rest of my life I am not in favor of Centerville, 306. It appears that this bill may eventually cost more via a cost accusation adjustment to me. This is just another tax that the state of Maryland wishes to place upon the people that serve the state, the actual people that rest their lives on a daily basis to save the lives of state citizens. I'm repulsed that you would even bring this to the table..

As a public servant for 42 years in the state I feel I'm entitled to pick who I wish to be my healthcare provider, who I wish to be the dispenser of my medications. There needs to be other options out there at the moment I'm battling prostate cancer and to have other options such as rescue meds that will deliver medication directly to my door as a godsend any worker that has been injured on the job needs these options.

I am requesting that this bill goes no farther than it dies in the Senate in committee.

I thank you very much

Donald Poole

Donald Poole
11200 B Barnswallow PI
Waldorf, MD 20603
301-643-9934

SB306_DuncanMonroe_UNF

Uploaded by: Duncan Monroe

Position: UNF

RE: SB 306 - UNFAVORABLE

Dear Members of the Senate Finance Committee

By way of introduction, my name is Duncan Munro, and I am a resident of Beltsville MD, where my wife and I have resided for just over 52 years.

After a career that spanned about 26 years, I retired from the Prince George's County Fire Department in 1992, and followed that with a briefer, 12 year career as a Legislative Assistant for the Maryland House of Delegates.

Following my retirement from the Fire Department, I experience the following medical issues: [1] a heart attack in 2001; [2] Prostate Cancer in 2017; and bladder cancer in 2022. The good news is that due to fairly early detection and appropriate treatment, all three conditions are behind me at this time.

I was also fortunate that all three situations were found to have been job related, thus qualifying me for Workmen's Compensation. As a result of this classification, I have been fortunate to have connected with Rescue Meds, of Annapolis. to provide several follow up medications that are intended to prolong my decent health.

Dealing with Rescue Meds has been one of the most positive experiences of my medical history. These folks have been prompt, caring and incredible supportive throughout my journey. They are a small pharmacy filled with folks with big hearts.

However, this company that does so well for me, and other small pharmacies are facing the possibility of being forced out of business as the result of this legislation. That is simply not right. Small companies should not be burdened with this type of future.

I ask the Committee to consider this very real possibility while considering this bill.

While I acknowledge and confess to a very limited knowledge about the background and history of the development of this bill, one item struck me as a possible way to help the small pharmacies that do so well for folks like me. That possibility would be to replace the word "MAY" in paragraph (2) (II) with "MUST".

Thank you for the opportunity to present my view on this matter.

Duncan Munro
13103 Ivy Drive
Beltsville MD 20705

George Goodwin - Testimony for MD Bill 306.docx.pd

Uploaded by: George Goodwin

Position: UNF

February 21, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

I am George Goodwin, the CEO of Excelsia Injury Care, a multi-specialty healthcare provider based in Baltimore, Maryland, specializing in treating injured workers through multi-specialty care and filling their prescriptions for medications both before compensability is determined and throughout the workers' compensation lifecycle. During 2024 we treated over 4,300 injured Maryland workers and provided necessary medication to over 1,300 on the day of their initial clinic visit. This resulted in higher levels of patient satisfaction and improved ability to recover and return to work.

I am writing to strongly oppose **SB306**, which seeks to implement a **Fee Guide for prescription reimbursement at Acquisition Cost**. This bill would impose an unsustainably low reimbursement rate, eliminating the ability of providers to continue to provide physician office dispensing of necessary medications. If enacted, SB306 would eliminate patients receiving needed medications when receiving care during their initial clinic visit. Additionally it would lead to pharmacies refusing to process workers' compensation prescriptions, and, most critically, injured workers losing access to the medications they need for recovery. The consequences of SB306 would eliminate Excelsia Injury Care's ability to provide this service and most importantly, delay treatment, recovery and the ability to return to work for the injured workers the system is designed to protect.

Alignment with the Maryland Workers' Compensation Commission's Mission

The Maryland Workers' Compensation Commission's mission and vision emphasize **timely and equitable administration of benefits** for injured workers:

Mission:

"The Maryland Workers' Compensation Commission seeks to secure the equitable and timely administration of the provisions of the Maryland Workers' Compensation law on behalf of its customers, the injured workers and their employers, by providing an efficient forum for the resolution of individual claims."

Vision:

"The Workers' Compensation Commission envisions a state wherein injured workers and

employers are empowered to create an equitable partnership to facilitate prompt and fair resolution of workers' compensation matters."

By **drastically cutting pharmacy reimbursements, SB306 contradicts these principles**, introducing new barriers to care instead of facilitating access for injured workers.

Understanding Workers' Compensation: The "Grand Bargain"

Workers' compensation was created as a **mutual agreement**—a "**Grand Bargain**"—to protect **injured workers while limiting employer liability**. This system involves multiple stakeholders, including **Commissioners, insurers, Pharmacy Benefit Managers (PBMs), Third-Party Administrators (TPAs), vocational rehabilitation providers, physicians, attorneys, and pharmacies**, all of whom collaborate to provide care for Maryland's injured workers.

The system is inherently **complex and highly litigious**, meaning even minor changes can **trigger significant, unintended consequences** for patient care and access.

The Harsh Reality: Denials, Delays, and Contested Cases

The workers' compensation system is already **fraught with challenges**, including frequent **delays, denials, and contested claims**:

- **88,000** First Reports of Injury (Annual)
- **22,000** Formal Claims Filed
- **12,000** Contested Cases
- **599** Cases Ultimately Denied

(Source: Pending official data link)

Nearly **half of all injured workers in Maryland face contested cases**, leading to **months-long litigation** before care is authorized. During this **gap period**, when insurance carriers deny liability, injured workers are often left without essential medications and medical care.

Filling the Gap: The Role of Specialty Workers' Compensation Pharmacies

During this "**gap**" period, when insurers delay or contest liability, providers that utilize physician off dispensing like Excelsia Injury Care, step in to ensure injured workers receive the necessary medications.

Unlike traditional retail pharmacies, **workers' compensation providers dispense medications even without a guarantee of payment**, often waiting **months or even years** for reimbursement.

Challenges of Workers' Compensation physician office based dispensing vs. Retail Pharmacies

Challenge	Physician Office Based Dispensing	Retail Pharmacies
Handle complex workers' comp cases	✓	✗
Require medical records for each prescription	✓	✗
Guaranteed payment for prescriptions	✗	✓
Payment within 15 days	✗	✓
Payment delays (100-day average)	✓	✗
Specialization in workers' compensation claims	✓	✗
Contracted with PBMs (leading to non-payment risk)	✗	✓
Litigation costs due to denied payments	✓	✗
Frequent short payments from insurers	✓	✗
Preauthorization requirements	✓	✗
Coordination with attorneys for appeals	✓	✗

The added burden of **medical records submission, preauthorization, and follow-up with insurers** makes workers' compensation physician office dispensing significantly more complex than standard retail pharmacy dispensing.

What Happens If Injured Workers Cannot Get Their Prescriptions?

If pharmacies refuse to fill workers' compensation prescriptions due to **low reimbursement rates**, injured workers will have limited options:

1. **Pay Out-of-Pocket at AWP, or "Cash" Prices** –
2. **Go Without Medications** – Leading to worsened medical conditions and delayed return to work/recovery.
3. **Turn to Medicaid or Other Payors** – Causing cost-shifting to Maryland taxpayers.

Cost-Shifting to Medicaid: An Inevitable Consequence

When injured workers are denied access to their medications under workers' compensation, they often **rely on Medicaid** instead. This [cost-shifting](#) directly impacts Maryland's Medicaid program, increasing expenses for taxpayers while shifting the financial burden away from insurers.

Lack of Justification for SB306

There is **no data-driven justification** for the drastic reimbursement cuts proposed in SB306.

- **No studies have demonstrated that prescription costs are a burden to insurers.**
- **No evidence has been provided to show prescription coverage is driving up workers' comp insurance rates.**
- **The state's largest insurer, Chesapeake Employers Insurance Fund, has seen a 37% rate decrease and recently returned over \$50 million in excess funds to policyholders.**

Failure to Include Key Stakeholders in the Medical Fee Guide Review

The **Medical Fee Guide Committee** was tasked with examining prescription costs but **has not conducted follow-up analysis since November 2023.**

Critically, **no providers that physician office dispensing were consulted** in developing the proposed reimbursement structure, despite their central role in providing care. We strongly urge the Committee to **reconvene** and include **all stakeholders**, including:

- A provider that utilizes physician office dispensing

- A pharmacy specializing in workers' compensation
- A Maryland resident with a Permanent Partial Disability (PPD)
- Other relevant healthcare and insurance experts

The **Prescription Drug Affordability Stakeholder Council** provides an excellent model for **inclusive, data-driven policy decisions**. SB306 should not proceed without a similar **multi-stakeholder analysis** to assess the **true impact on injured workers and access to care**.

Conclusion: A Call for Sensible Policy

SB306, as written, threatens the **viability of workers' compensation healthcare providers to utilize physician office dispensing, the stability of the system, and—most critically—the health and well-being of Maryland's injured workers**.

We **strongly urge the Committee to reject SB306** and instead engage **all stakeholders** in a transparent, data-driven analysis of workers' compensation pharmacy reimbursement.

Thank you for your time and consideration.

Sincerely,



George M. Goodwin
CEO
Excelsia Injury Care

Kenneth Wisniewski - Testimony for MD Bill 306.pdf

Uploaded by: Kenneth Wisniewski

Position: UNF

February 20, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

My name is Ken Wisniewski. I am a 22 year retired Army combat, 82nd Airborne, Ranger and nearly 19 year retired Prince George's County Police Officer. During my time as a police officer, I sustained injuries that I continue to receive medical care for under Worker's Compensation that include distribution of pharmaceuticals.

The legislation regarding reimbursement rates that is being proposed are unreasonable with the use of an acquisition cost index. This will prevent access to critical healthcare for myself and other injured workers. I have personally experienced delays with my own prescriptions that were unavailable at "traditional", store front pharmacies. Without RescuMeds, additional medical care might have been required because I couldn't receive my medication from the traditional pharmacies timely. Even though RescuMeds may have an additional cost for their services, it provides patient's, like me, peace of mind that I can get what I need in a timely fashion. Regulating charges for prescription drugs, under this legislation, would do a disservice to those of us who rely on RescuMeds services. Please reconsider this legislation for this reason.

Thank you for your time.

Kenneth Wisniewski

Kenneth Wisniewski

Matthew Coster - Patient Testimony for MD SB0306.p

Uploaded by: Matthew Coster

Position: UNF

February 20, 2025

The Honorable Pamela Beidle Chair, Senate Finance Committee

3 East Miller Senate Office Building
Annapolis, MD 21401

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services - Reimbursements - OPPOSE Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

Thank you for the opportunity to provide written testimony in strong opposition to SB306, a bill that seeks to establish a fee guide for workers' compensation prescriptions based solely on "acquisition costs." As President of Baltimore Firefighters IAFF Local 734, I represent hundreds of brave men and women who risk their lives daily for the safety of our community. Many of these individuals rely on timely and effective prescription care to recover from the physical and mental toll of their work. SB306 poses a significant threat to their health and well-being.

Impact on Injured Workers

The proposed bill would limit pharmacy reimbursement to the exact purchase price of medications, without considering the additional costs of dispensing, managing claims, and handling inevitable payment delays and denials. The consequences of this legislation would be devastating:

1. **Loss of Access to Prescription Care:** By mandating reimbursement based solely on acquisition costs, pharmacies would face a financial loss with every workers' compensation prescription they fill. This will drive them to stop offering prescription services for injured workers altogether.
2. **Increased Financial Burden on Taxpayers:** Without pharmacy support, injured workers may turn to Medicaid or other taxpayer-funded programs for prescription coverage, shifting costs from insurers to the public.
3. **Delays in Treatment:** Injured workers already face lengthy delays—47.5% of cases are contested, and nearly 100% of occupational disease cases require months of litigation. Eliminating access to prescription care will only exacerbate these delays and hinder recovery.
4. **Deterioration of Mental and Physical Health:** Firefighters and other workers suffer from occupational diseases such as cancer, pulmonary issues, PTSD, and heart conditions. The proposed reimbursement changes will force them to navigate even more hurdles to receive essential medications.

Industry Standard Practices and Financial Realities

Currently, pharmacies bill using the Average Wholesale Price (AWP) model, which is recognized as the industry standard across 36 states. This model allows for fair reimbursement that accounts for the complexities of handling workers' compensation prescriptions, including claim denials and administrative overhead. The Chesapeake Workers' Insurance Fund's recent return of \$50 million to policyholders demonstrates that prescription costs are not a financial burden requiring drastic intervention.

The Essential Role of Pharmacies

Pharmacies like RescueMeds play a critical role in supporting our Firefighters, Medics, and EMTs by providing immediate access to medications while navigating the bureaucratic complexities of workers' compensation claims. They absorb the financial strain of delayed reimbursements, sometimes waiting up to two years for payment, and handle numerous claim denials—all to ensure my members receive the care they need. Eliminating this vital service will leave thousands of Firefighters without adequate prescription coverage.

A Call to Protect Workers

SB306 undermines the already fragile balance between injured workers and insurers. The bill's approach would place pharmacies in an unsustainable financial position, jeopardizing access to essential medications for the thousands of injured firefighters per year in Maryland. As lawmakers, your responsibility is to protect the health and safety of Maryland's workforce. Passing this bill would do the opposite.

Conclusion

I urge you to oppose SB306 and preserve the essential prescription care that we depend on. The well-being of Maryland's firefighters and countless other workers is at stake. Thank you for your consideration and for your commitment to supporting those who serve our communities.

Respectfully Submitted,

Matthew Coster

Matthew Coster
President, Baltimore Firefighters IAFF Local 734
443-324-2401
Mcoster@baltimorefirefighters.net



BALTIMORE CITY

Firefighters

Local 734

Raymond Gheen - Testimony for MD Bill 306.pdf

Uploaded by: Raymond Gheen

Position: UNF

February 19, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

My name is Raymond Gheen and I am a proud retired police officer of the Prince George's County, Maryland Police Department. Unfortunately, my career was cut short due to injuries sustained while effecting arrests in two separate incidents resulting in a disability retirement. I recently learned of Maryland Senate Bill 306 which to my understanding would limit reimbursement to companies providing meds to injured workers in Maryland. My supplier, RescueMeds has ALWAYS provided medications in a timely and efficient manner even when they are dealing with worker comp denials. Under this bill these companies will only be reimbursed for the actual cost of the medication. How can a company continue to exist under these rules? Numerous worker comp cases are contested yet companies like RescueMeds step up and take care of many injured workers. The reimbursement rates being proposed are unreasonable with the use of an acquisition cost index, and will prevent access to critical healthcare for injured workers. Common sense should prevail, Senate Bill 306 is bad for Maryland workers and would destroy these NEEDED companies.

Raymond Gheen

Sincerely,
Raymond Gheen

Steven McCombs - Testimony for MD Bill 306.pdf

Uploaded by: Steven McCombs

Position: UNF

February 19, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

My name is Steven McCombs, a 40yr "Life Member" of Grasonville Vol. Fire Dept. I'm currently the 1st Assistant Fire Chief and have been a Chief Officer for almost 25 years now. At the end of 2025 I'm going to step down mostly because I can't physically do the one thing I love anymore! I've dedicated my life since the age of 14, to the Fire Service. During this time, I've broken my back twice. I also believe I've had 15-16 broken bones and a few minor burns in my time. I'm currently employed with Caroline DES where I'm the Shift Lt. on D Shift in the 911 Center. I was also a PG County Fireman for 17yrs and OC Fireman for maybe 3yrs. I've worked for 3 Dept's during my career. The Centreville VFD, Denton VFC & Kent Rescue Squad in Chestertown, Md.

I'm here today in support of companies like RescuMeds, for the last 14yrs plus, I have been through hell with my back injuries and my quality of life now is horrible! I unfortunately rely on medications to just get out of bed on a daily basis. Without the medication RescuMeds provide, I tend to wake up depressed and very upset at my current situation. When I use pharmacies like CVS, I sometimes wait longer periods for the same Meds I get immediately from RescuMeds. They help me and I've had no issues getting these meds I need on a daily basis. The reimbursement rates being proposed are unreasonable and WITH THE USE OF AN ACQUISITION COST INDEX, it will prevent access to critical healthcare for injured Firman and other public safety personnel. We risk a lot on a daily basis and to go through what we do is unfair to us! I'm not alone on this. Many other Fireman and Police Officers are in the same situation.

The other point I'd like to include is how important it is to have ANOTHER OPTION to get my prescriptions and how without companies like RescuMeds, things could have gotten worse.

Steven McCombs

Steven McCombs
1st Assistant Chief
Grasonville Fire Department

Veronica Roderick - Testimony for MD Bill 306.pdf

Uploaded by: Veronica Roderick

Position: UNF

February 19, 2025

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

Re: SB 306 - Worker's Compensation - Prescription Drug and Pharmaceutical Services -
Reimbursements - OPPOSE

Dear Chair Beidle, Vice Chair Hayes and members of the Senate Finance Committee:

My name is Veronica Roderick and on March 4, 2012, I was a Resident Assistant/Med Tech and involved in a work-related incident, which resulted in the saving of four people's lives, including myself. I sustained trauma to my neck, back, bilateral shoulders and bilateral ulnar nerves. I have undergone two surgeries and am awaiting three, possibly four, additional procedures, including a total shoulder replacement, in addition to loss of use of one of my arms. These injuries have left me disabled and no longer able to work.

Since my injury, I have been denied the majority of monetary compensation, physical treatment, and medications. Resulting in loss of my home of 23 years to foreclosure, filing bankruptcy and indebted to personal loans. I had to place surgeries on my BCBS, friends paid for me to have transportation to physical therapy after surgery, along with paying for all my medications. All this while I was also fighting cancer.

I was at the "end of my rope." I needed these meds to get a small amount of relief and give me the ability to function just enough to manage some ADL, for a reasonable quality of life. I now have Rescue Meds; I no longer have to wonder how to get my medications. If I do not get the medical treatments and medications needed, I could end up being wheelchair bound. To some this is a fight for repayment, percentage of cost/reimbursement(s) and other politics, but to us, the injured worker and our loved ones, the fight is a matter of life, to which holds no price that can ever be paid.

The reimbursement rates being proposed are unreasonable with the use of an acquisition cost index and will prevent access to critical healthcare for the injured workers.

I pray that you or others standing in position not only show mercy but extend justice towards us.

Sincerely,

Veronica Roderick

Veronica Roderick

SB306_NSPC_UNF

Uploaded by: Yeshvant Navalgund, MD

Position: UNF

Yeshvant Navalgund, MD
National Spine & Pain Centers
1600 Crain Highway South, Suite 301
Glen Burnie, MD 21061

2/24/2025

Dear Chairperson Pamela Beidle, Vice Chairperson Antonio Hayes, and esteemed members of the Senate Finance Committee,

Thank you for the opportunity to provide testimony on Senate Bill SB 306. I serve as the Chief Medical Officer of National Spine & Pain Centers, which operates 12 locations across Maryland, staffed by 14 physicians and a dedicated team of employees.

As Interventional Pain Specialists, we work extensively with injured workers, where effective medication management is a crucial aspect of their treatment and recovery. We want to express our serious concerns regarding the changes proposed by SB 306, which would significantly impact access to essential medications for injured workers in Maryland.

Access to Medication: An Ongoing Challenge

- For many injured workers, obtaining prescribed medications is already a daunting hurdle.
 - Our offices frequently field calls with the same urgent concern, "The pharmacy won't fill my medication." This is a widespread and persistent issue that would only become worse under Senate Bill SB 306.
 - Pharmacies may be unwilling to fill prescriptions fearing they will not receive payment, or the sums received will not cover their expenses.

Delays in Treatment Harm Patient Outcomes

- The administrative barriers introduced by this bill are not simply inconvenient, they pose tangible, harmful delays in treatment for injured workers.
- These delays can force individuals to go days or even weeks without critical medications they need to manage pain and inflammation.
- Studies and professional experience demonstrate that untreated pain and inadequate treatment result in severe consequences, including:
 - Hindered recovery times
 - Extended disability durations
 - Escalating long-term medical costs
 - Burden on Employers

Unintended Consequences of SB 306

The changes proposed in this bill may unintentionally create widespread repercussions that extend far beyond the stated objectives. Specifically, there are three major concerns we urge you to carefully consider:

1. Financial Burden on Workers

Many injured workers could be forced to cover out-of-pocket medication costs or turn to their private insurance, which presents significant financial strains. Those without access to private insurance will likely rely on Medicaid, further pressuring an already stretched system.

2. Provider Disengagement

Physicians and providers may opt out of treating injured workers altogether due to delays, administrative burdens, and the negative impact these have on patient outcomes. This will significantly restrict access to care for those who need it most.

3. No Documented Cost Concerns

Our research has not revealed any evidence that medication costs for injured workers in Maryland have been a point of concern. Introducing such drastic changes without clear evidence risks solving a problem that doesn't exist, inadvertently creating new issues instead.

The Way Forward

Ensuring that injured workers in Maryland receive timely, effective treatment is non-negotiable. SB 306, while likely well-intentioned, introduces barriers that could severely impede access to care and drive unintended financial and systemic consequences.

We urge this Committee to revisit the proposal within this bill, prioritize the needs of those directly impacted, and collaborate with stakeholders to pursue alternatives that protect access to essential medications for our injured workers.

Thank you for your time and consideration.

Respectfully submitted,



Yeshvant Navalgund, MD
Chief Medical Officer
National Spine and Pain Centers