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**Date:** February 5, 2026

**Bill # / Title:** House Bill 88 - Health Insurance – Bulk Purchasing Pools for Prescription Drugs

**Committee:** House Health Committee

**Position:** Letter of Information

The Maryland Insurance Administration (MIA) appreciates the opportunity to provide information regarding House Bill 88.

House Bill 88 would allow health insurers and similar health plans in the state to participate in group buying arrangements (known as “bulk purchasing pools”) to buy prescription drugs.

Bulk purchasing pools are groups that combine the buying power of multiple purchasers to negotiate lower prices for prescription drugs. Allowing more insurers and plans to join these pools can potentially reduce the cost of prescription drugs for the plans, and indirectly, for enrollees.

Nationally, there are several multi-state bulk purchasing pools for prescription drugs, including the Medicaid-focused National Medicaid Pooling Initiative, Top Dollar Program (TOP\$), and Sovereign States Drug Consortium, as well as the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) – a 50-state purchasing pool consisting of non-Medicaid state and local government agencies. Maryland currently participates in TOP\$ and MMCAP. Health insurance carriers typically use PBMs to negotiate lower prices for prescription drugs.

The bill applies to insurers and non-profit health service plans that provide prescription drugs under policies issued or delivered in Maryland as well as health maintenance organizations (HMOs) that provide prescription drug coverage under contracts in Maryland. The bill covers entities that provide coverage through a pharmacy benefits manager (PBM) as well. Under the provisions of House Bill 88, insurers and plans would be allowed, but not required, to participate in bulk purchasing pools.

Thank you for the opportunity to provide this letter of information. The MIA is available to provide additional information and assistance to the committee.