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March 16, 2026

Maryland House Committee on Health
Room 240, Taylor House Office Building,
6 Bladen Street
Annapolis, MD 21401

Re: Support HB 1451 – Stop Patient Steering of Specialty Drugs for Rheumatologic Conditions

Members of the House Committee on Health:

The Coalition of State Rheumatology Organizations (CSRO) supports HB 1461, which would prohibit health plans and pharmacy benefit managers (PBMs) from steering patients to use specific specialty pharmacies, typically owned by the PBM, to obtain specialty drugs for the treatment of rheumatologic conditions. CSRO serves the practicing rheumatologist and is comprised of over 40 state and regional professional rheumatology societies nationwide whose mission is to advocate for excellence in the field of rheumatology, ensuring access to the highest quality of care for the management of rheumatologic and musculoskeletal disease.

Rheumatologic diseases, such as rheumatoid arthritis, psoriatic arthritis and lupus, are systemic and incurable, but innovations in medicine over the last several decades have enabled rheumatologists to better manage these conditions. With access to the right treatment early in the disease, patients can generally delay or even avoid damage to their bones and joints, as well as reduce reliance on pain medications and other ancillary services, thus improving their quality of life.

Rheumatologists and other healthcare practices that directly administer medications on an outpatient basis are typically engaged in “buy and bill,” whereby the medical practice pre-purchases drugs and bills the health plan for reimbursement once the medication is administered to a patient. However, health plans and their PBMs are disrupting this process by implementing steering policies where PBMs direct or heavily influence patients to fill their prescriptions at pharmacies they own or are affiliated with (such as retail, specialty, or mail-order pharmacies) to increase their revenue. This is often done by threatening patients with higher costs or penalties if they choose to use non-affiliated pharmacies.

These steering policies, which boost the profits of PBMs and their vertically integrated pharmacies can raise patients' out-of-pocket costs as well as costs for self-funded employer health plans. When actual receipts were compared in an employer funded plan, CSRO found that the specialty pharmacy cost to the employer health plan was 3-4 times higher when then medication was obtained through specialty pharmacy as compared to the same medication obtained through “buy and bill” by the physician’s office. The employee’s cost with “buy and bill” was \$25, compared to \$500 when mandated specialty pharmacy was used. This can be cost prohibitive for patients, as many physician-administered medications are complex drugs, and therefore typically more expensive. Through this shift in coverage, patients often face coinsurance and deductibles for specialty medications.

However, when medications are acquired via “buy and bill,” health plans impose no or minimal patient cost-sharing obligation.ⁱ When the patient is responsible for cost sharing, many providers work with their patients to spread payments over time to help ensure the patient can afford and receive treatment, a courtesy not often extended by specialty pharmacies.

CSRO is also concerned that steering policies could delay treatment when patients are pressured to fill their prescriptions at PBM-affiliated pharmacies outside the rheumatologist’s office. When rheumatology providers cannot control the handling, preparation, and storage conditions of the drug prior to its administration, there could be increased operational and safety issues. Improper handling of these specialty medications can have serious consequences for patients, and specialty drugs prepared by an outside specialty pharmacy do not allow the provider to control and prevent adverse events. PBM steering policies can also cause delays in receiving the medication, such as failed delivery, incorrect medications, prior authorization issues, and out-of-stock medications. When medications are mishandled or improperly dosed by outside entities, patients face delays in treatment, which can have serious implications for the health and maintenance of their chronic condition.

Medication dispensed by an outside specialty pharmacy is assigned to a specific patient. Therefore, if a patient experiences flare-ups or other unexpected complications, their provider may need to change their medication during their pre-administration evaluation. However, if the patient’s medication was obtained from an outside pharmacy, the provider must reorder it, and the patient will be unable to receive it on the day of their appointment. The patient must then return to their doctor’s office after receiving their new medication. This causes delays in treatment and increases the risk of complications.

Steering policies also impose additional burdens on physician practices, including increased liability and complex inventory management. Unfortunately, providers can still be held liable for adverse events caused by the medication dispensed by the specialty pharmacy even when the provider had no control over the medication. These safety and liability concerns can be avoided when the provider can source products from their own inventory for in-office administration. These policies also require physician practices to maintain separate, patient-specific product inventory, which requires more granular inventory management, increased staff time, and additional costs to the medical practice.

Under current law, there are already anti-steering protections for specialty drugs for oncology services. CSRO supports expanding the existing specialty drugs definition as proposed by HB 1461 to ensure that PBMs and health plans cannot utilize steering policies to exclude coverage for specialty drugs administered or dispensed in a rheumatologist’s office. These policies are not in patients' best interests and increase patient cost-sharing, limit access to treatment, and raise liability concerns.

On behalf of practicing rheumatologists throughout Maryland, we request your support for HB 1461. We thank you for your consideration and are happy to further detail our comments to the Committee upon request.

Respectfully,



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Board of Directors



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ⁱ Drug Channels. [White Bagging Update 2023: Saving Money or Shifting Costs?](#). September 2023.