

SENATE BILL 898

C3

7lr3337
CF 7lr2303

By: **Senators Astle, Jennings, Klausmeier, and Mathias**

Introduced and read first time: February 3, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Prescription Drugs – Dispensing Synchronization**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, and health
4 maintenance organizations to allow and apply a certain prorated copayment or
5 coinsurance amount for a partial supply of a prescription drug dispensed by a certain
6 pharmacy under certain circumstances; prohibiting a certain insurer, nonprofit
7 health service plan, and health maintenance organization from denying payment of
8 benefits to a certain pharmacy for a covered prescription drug solely on a certain
9 basis and from using a certain payment structure; requiring a certain insurer,
10 nonprofit health service plan, and health maintenance organization to allow a
11 certain pharmacy to override certain codes and pay a certain pharmacy a certain
12 dispensing fee for a certain purpose; defining certain terms; providing for the
13 application of this Act; and generally relating to payment for a partial supply of a
14 prescription drug under health insurance.

15 BY adding to

16 Article – Insurance

17 Section 15–850

18 Annotated Code of Maryland

19 (2011 Replacement Volume and 2016 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

22 **Article – Insurance**

23 **15–850.**

24 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
25 **INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) “IN-NETWORK PHARMACY” MEANS A PHARMACY THAT IS AMONG**
2 **THE PARTICIPATING PROVIDERS WITH WHICH AN ENTITY SUBJECT TO THIS SECTION**
3 **CONTRACTS TO PROVIDE HEALTH CARE SERVICES TO MEMBERS.**

4 **(3) “MEMBER” MEANS AN INDIVIDUAL ENTITLED TO HEALTH CARE**
5 **BENEFITS FOR PRESCRIPTION DRUGS OR DEVICES UNDER A POLICY ISSUED OR**
6 **DELIVERED IN THE STATE BY AN ENTITY SUBJECT TO THIS SECTION.**

7 **(B) (1) THIS SECTION APPLIES TO:**

8 **(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT**
9 **PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER HEALTH**
10 **INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE**
11 **STATE; AND**

12 **(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE**
13 **COVERAGE FOR PRESCRIPTION DRUGS AND DEVICES UNDER CONTRACTS THAT ARE**
14 **ISSUED OR DELIVERED IN THE STATE.**

15 **(2) AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH**
16 **MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR PRESCRIPTION**
17 **DRUGS AND DEVICES THROUGH A PHARMACY BENEFITS MANAGER IS SUBJECT TO**
18 **THE REQUIREMENTS OF THIS SECTION.**

19 **(C) AN ENTITY SUBJECT TO THIS SECTION SHALL ALLOW AND APPLY A**
20 **PRORATED DAILY COPAYMENT OR COINSURANCE AMOUNT FOR A PARTIAL SUPPLY**
21 **OF A PRESCRIPTION DRUG DISPENSED BY AN IN-NETWORK PHARMACY IF:**

22 **(1) THE PRESCRIBER OR THE PHARMACIST DETERMINES DISPENSING**
23 **A PARTIAL SUPPLY OF A PRESCRIPTION DRUG TO BE IN THE BEST INTEREST OF THE**
24 **MEMBER; AND**

25 **(2) THE MEMBER REQUESTS OR AGREES TO A PARTIAL SUPPLY FOR**
26 **THE PURPOSE OF SYNCHRONIZING THE DISPENSING OF THE MEMBER’S**
27 **PRESCRIPTION DRUGS.**

28 **(D) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN ENTITY SUBJECT TO**
29 **THIS SECTION:**

30 **(1) MAY NOT DENY PAYMENT OF BENEFITS TO AN IN-NETWORK**
31 **PHARMACY FOR A COVERED PRESCRIPTION DRUG SOLELY ON THE BASIS THAT ONLY**
32 **A PARTIAL SUPPLY OF THE PRESCRIPTION DRUG WAS DISPENSED; AND**

1 **(2) SHALL ALLOW AN IN-NETWORK PHARMACY TO OVERRIDE ANY**
2 **DENIAL CODES INDICATING THAT A PRESCRIPTION IS BEING REFILLED TOO SOON.**

3 **(E) AN ENTITY SUBJECT TO THIS SECTION:**

4 **(1) MAY NOT USE A PAYMENT STRUCTURE THAT INCORPORATES**
5 **PRORATED DISPENSING FEES FOR DISPENSING A PARTIAL SUPPLY OF A**
6 **PRESCRIPTION DRUG; AND**

7 **(2) SHALL PAY AN IN-NETWORK PHARMACY A FULL DISPENSING FEE**
8 **FOR DISPENSING A PARTIAL SUPPLY OF A PRESCRIPTION DRUG UNDER THIS**
9 **SECTION, REGARDLESS OF:**

10 **(I) ANY PRORATED COPAYMENT OR COINSURANCE AMOUNT**
11 **CHARGED TO A MEMBER; OR**

12 **(II) ANY FEE PAID TO THE PHARMACY FOR SYNCHRONIZING A**
13 **MEMBER'S PRESCRIPTIONS.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
15 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or
16 after October 1, 2017.

17 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2017.