

# SENATE BILL 928

C3, J2

3lr3220  
CF HB 736

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By: **Senator Pugh**

Introduced and read first time: February 13, 2013

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Pharmacy Benefits Managers – Specialty Drugs**

3 FOR the purpose of requiring the State Board of Pharmacy, in consultation with the  
4 University of Maryland School of Pharmacy and taking into account certain  
5 circumstances, to specify the prescription drugs that may be considered  
6 specialty drugs by a pharmacy benefits manager; requiring the Board to publish  
7 in the Maryland Register a list of the prescription drugs that may be considered  
8 specialty drugs; requiring a pharmacy benefits manager to designate only  
9 prescription drugs that are on the list of specialty drugs published by the Board  
10 if the pharmacy benefits manager intends to designate certain prescription  
11 drugs as specialty drugs on a formulary; requiring a pharmacy benefits  
12 manager to allow any licensed pharmacy or licensed pharmacist in the State to  
13 fill a prescription for a specialty drug if the licensed pharmacy or licensed  
14 pharmacist meets certain requirements; prohibiting a pharmacy benefits  
15 manager from requiring a specialty drug to be dispensed by mail order;  
16 requiring a pharmacy benefits manager to reimburse a retail pharmacy for a  
17 specialty drug at a certain rate; defining a certain term; and generally relating  
18 to pharmacy benefits managers and specialty drugs.

19 BY adding to

20 Article – Insurance

21 Section 15–1632

22 Annotated Code of Maryland

23 (2011 Replacement Volume and 2012 Supplement)

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

26 **Article – Insurance**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **15-1632.**

2 (A) IN THIS SECTION, "SPECIALTY DRUG" MEANS A PRESCRIPTION  
3 DRUG THAT REQUIRES SPECIAL HANDLING, SPECIAL ADMINISTRATION, UNIQUE  
4 INVENTORY MANAGEMENT, A HIGH LEVEL OF PATIENT MONITORING, OR MORE  
5 INTENSE PATIENT SUPPORT THAN CONVENTIONAL THERAPIES.

6 (B) THE STATE BOARD OF PHARMACY, IN CONSULTATION WITH THE  
7 UNIVERSITY OF MARYLAND SCHOOL OF PHARMACY:

8 (1) SHALL SPECIFY THE PRESCRIPTION DRUGS THAT MAY BE  
9 CONSIDERED SPECIALTY DRUGS BY A PHARMACY BENEFITS MANAGER UNDER  
10 THIS SECTION; AND

11 (2) IN SPECIFYING THE PRESCRIPTION DRUGS THAT MAY BE  
12 CONSIDERED SPECIALTY DRUGS, SHALL TAKE INTO ACCOUNT WHETHER:

13 (I) THE PRESCRIPTION DRUG IS USED TO TREAT A PATIENT  
14 WITH A COMPLEX, CHRONIC, OR RARE MEDICAL CONDITION THAT IS  
15 PROGRESSIVE, CAN BE DEBILITATING OR FATAL IF LEFT UNTREATED OR  
16 UNDERTREATED, OR FOR WHICH THERE IS NO KNOWN CURE, INCLUDING:

- 17 1. MULTIPLE SCLEROSIS;
- 18 2. HEPATITIS C;
- 19 3. CYSTIC FIBROSIS;
- 20 4. HEMOPHILIA; AND
- 21 5. RHEUMATOID ARTHRITIS;

22 (II) THE PRESCRIPTION DRUG IS NOT GENERALLY STOCKED  
23 AT COMMUNITY RETAIL PHARMACIES;

24 (III) THE PRESCRIPTION DRUG HAS SPECIAL HANDLING,  
25 STORAGE, INVENTORY, OR DISTRIBUTION REQUIREMENTS; OR

26 (IV) PATIENTS RECEIVING THE PRESCRIPTION DRUG  
27 REQUIRE COMPLEX EDUCATION AND TREATMENT MAINTENANCE, INCLUDING:

- 28 1. COMPLEX DOSING;

1                   **2. INTENSIVE MONITORING; AND**

2                   **3. CLINICAL OVERSIGHT.**

3           **(C) EVERY 6 MONTHS, THE STATE BOARD OF PHARMACY SHALL**  
4 **PUBLISH IN THE MARYLAND REGISTER A LIST OF THE PRESCRIPTION DRUGS**  
5 **THAT MAY BE CONSIDERED SPECIALTY DRUGS.**

6           **(D) IF A PHARMACY BENEFITS MANAGER INTENDS TO DESIGNATE**  
7 **CERTAIN PRESCRIPTION DRUGS AS SPECIALTY DRUGS ON A FORMULARY, THE**  
8 **PHARMACY BENEFITS MANAGER SHALL DESIGNATE ONLY PRESCRIPTION DRUGS**  
9 **THAT ARE ON THE LIST OF SPECIALTY DRUGS PUBLISHED BY THE STATE BOARD**  
10 **OF PHARMACY.**

11           **(E) A PHARMACY BENEFITS MANAGER:**

12                   **(1) SHALL ALLOW ANY LICENSED PHARMACY OR LICENSED**  
13 **PHARMACIST IN THE STATE TO FILL A PRESCRIPTION FOR A SPECIALTY DRUG,**  
14 **IF THE LICENSED PHARMACY OR LICENSED PHARMACIST:**

15                           **(I) HAS A CONTRACT WITH THE PHARMACY BENEFITS**  
16 **MANAGER;**

17                           **(II) HAS THE SPECIALTY DRUG IN INVENTORY OR HAS**  
18 **READY ACCESS TO THE SPECIALTY DRUG; AND**

19                           **(III) IS CAPABLE OF COMPLYING WITH ANY SPECIAL**  
20 **HANDLING, SPECIAL ADMINISTRATION, INVENTORY MANAGEMENT, PATIENT**  
21 **MONITORING, OR PATIENT SUPPORT REQUIREMENTS FOR THE SPECIALTY**  
22 **DRUG; AND**

23                   **(2) MAY NOT REQUIRE A SPECIALTY DRUG TO BE DISPENSED BY**  
24 **MAIL ORDER.**

25           **(F) A PHARMACY BENEFITS MANAGER SHALL REIMBURSE A RETAIL**  
26 **PHARMACY FOR A SPECIALTY DRUG ON A FORMULARY OF THE PHARMACY**  
27 **BENEFITS MANAGER AND DISPENSED BY THE RETAIL PHARMACY AT THE**  
28 **CURRENT PREFERRED BRAND TIER REIMBURSEMENT RATE SPECIFIED IN THE**  
29 **CONTRACT BETWEEN THE PHARMACY BENEFITS MANAGER AND THE RETAIL**  
30 **PHARMACY.**

31           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
32 October 1, 2013.