

# HOUSE BILL 478

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CF 0lr1974

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By: **Delegates Pena–Melnyk, Mizeur, Benson, Carr, Costa, DeBoy, Donoghue, Elliott, Frush, Glenn, Gutierrez, Hixson, Hubbard, Hucker, Kipke, Lafferty, Manno, Montgomery, Nathan–Pulliam, Oaks, Reznik, Rice, Riley, Ross, Stukes, and V. Turner**

Introduced and read first time: February 1, 2010

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Prescription Drugs – Cost–Sharing Obligations**

3 FOR the purpose of prohibiting certain insurers, nonprofit health service plans, and  
4 health maintenance organizations from imposing a cost–sharing obligation for a  
5 prescription drug that exceeds the dollar amount of the cost–sharing obligation  
6 for a prescription drug in a certain category; prohibiting a person from making  
7 or allowing unfair discrimination between certain individuals in the amount of  
8 the cost–sharing obligation imposed for a prescription drug; defining a certain  
9 term; making the provisions of this Act applicable to health maintenance  
10 organizations; providing for the application of this Act; and generally relating to  
11 health insurance cost–sharing obligations for prescription drugs.

12 BY adding to

13 Article – Insurance

14 Section 15–845 and 27–208(b)(4)

15 Annotated Code of Maryland

16 (2006 Replacement Volume and 2009 Supplement)

17 BY adding to

18 Article – Health – General

19 Section 19–706(cccc)

20 Annotated Code of Maryland

21 (2009 Replacement Volume)

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

24 **Article – Insurance**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **15-845.**

2 (A) IN THIS SECTION, "COST-SHARING OBLIGATION" MEANS A  
3 COPAYMENT, COINSURANCE, OR DEDUCTIBLE REQUIREMENT UNDER A POLICY  
4 OR CONTRACT ISSUED OR DELIVERED IN THE STATE BY AN ENTITY SUBJECT TO  
5 THIS SECTION.

6 (B) THIS SECTION APPLIES TO:

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

10 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE  
11 COVERAGE FOR PRESCRIPTION DRUGS UNDER CONTRACTS THAT ARE ISSUED  
12 OR DELIVERED IN THE STATE.

13 (C) AN ENTITY SUBJECT TO THIS SECTION THAT DETERMINES  
14 COST-SHARING OBLIGATIONS BY CATEGORY OF PRESCRIPTION DRUGS, SUCH AS  
15 GENERIC DRUGS, PREFERRED BRAND-NAME DRUGS, AND NONPREFERRED  
16 BRAND-NAME DRUGS, MAY NOT IMPOSE A COST-SHARING OBLIGATION FOR A  
17 PRESCRIPTION DRUG THAT EXCEEDS THE DOLLAR AMOUNT OF THE  
18 COST-SHARING OBLIGATION FOR A PRESCRIPTION DRUG IN THE CATEGORY OF  
19 NONPREFERRED BRAND-NAME DRUG OR ITS EQUIVALENT.

20 **27-208.**

21 (b) (4) A PERSON MAY NOT MAKE OR ALLOW UNFAIR  
22 DISCRIMINATION BETWEEN INDIVIDUALS OF THE SAME CLASS IN THE AMOUNT  
23 OF THE COST-SHARING OBLIGATION, AS DEFINED IN § 15-845 OF THIS ARTICLE,  
24 IMPOSED FOR A PRESCRIPTION DRUG.

25 **Article - Health - General**

26 **19-706.**

27 (CCCC) THE PROVISIONS OF §§ 15-845 AND 27-208(B)(4) OF THE  
28 INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
30 policies, contracts, and health benefit plans issued, delivered, or renewed in the State  
31 on or after October 1, 2010.

1           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2    October 1, 2010.