

# SENATE BILL 99

C3

(0lr0045)

## ENROLLED BILL

— Finance/Health and Government Operations —

Introduced by **Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance Benefit Cards, Prescription Benefit Cards, and Other**  
3 **Technology – Identification of Regulatory Agency**

4 FOR the purpose of *clarifying that certain provisions of law and certain provisions of this*  
5 *Act apply to managed care organizations and certain pharmacy benefits managers;*  
6 requiring certain insurers, nonprofit health service plans, health maintenance  
7 organizations, and managed care organizations to indicate in a certain manner on a  
8 health insurance benefit card or prescription benefit card or other technology which  
9 State agency regulates the policy or contract offered by the entity; providing for the  
10 construction of certain provisions of this Act; making a technical correction;  
11 providing for the application of this Act; providing for a delayed effective date; and  
12 generally relating to health insurance benefit cards, prescription benefit cards, and  
13 other technology.

---

### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



*BY adding to*

*Article – Health – General*

*Section 15–102.3(i)*

*Annotated Code of Maryland*

*(2019 Replacement Volume)*

BY repealing and reenacting, without amendments,

Article – Insurance

Section 15–130(a)

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance

Section 15–130(b)

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

BY adding to

Article – Insurance

Section 15–130.1

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the Laws of Maryland read as follows:

**Article – Health – General**

**15–102.3.**

**(1) THE PROVISIONS OF §§ 15–130 AND 15–130.1 OF THE INSURANCE  
ARTICLE APPLY TO MANAGED CARE ORGANIZATIONS AND PHARMACY BENEFITS  
MANAGERS THAT CONTRACT WITH MANAGED CARE ORGANIZATIONS.**

**Article – Insurance**

15–130.

(a) (1) This section applies to:

(i) insurers and nonprofit health service plans that provide coverage for prescription drugs on an outpatient basis under health insurance policies or contracts that are issued or delivered in the State;

(ii) health maintenance organizations that provide coverage for prescription drugs on an outpatient basis under contracts that are issued or delivered in the State;

(iii) managed care organizations, as defined in § 15–101 of the Health – General Article, that provide coverage for prescription drugs on an outpatient basis under contracts that are issued or delivered in the State; and

(iv) to the extent consistent with State and federal law, third party administrators.

(2) This section does not apply to:

(i) short-term travel or accident-only policies;

(ii) short-term nonrenewable policies of not more than ~~6~~ **3** months duration; or

(iii) any health maintenance organization that operates or maintains its own pharmacies and dispenses, on an annual basis, over 95% of prescription drugs on an outpatient basis to its enrollees at its own pharmacies.

(b) Each entity subject to this section shall provide to its insureds, subscribers, or enrollees a health insurance benefit card, prescription benefit card, or other technology that:

(1) **(I)** complies with the standards set forth in the National Council for Prescription Drug Programs Pharmacy ID Card Implementation Guide in effect at the time of issuance of the card or other technology; or

**[(2)] (II)** includes, at a minimum, the following data elements:

**[(i)] 1.** the name or identifying trademark of the entity subject to this section or, if another entity administers the prescription benefit, the name or identifying trademark of the benefit administrator;

**[(ii)] 2.** the name and identification number of the insured, subscriber, or enrollee;

**[(iii)] 3.** the telephone number that providers may call for pharmacy benefit assistance; and

**[(iv)] 4.** all electronic transaction routing information and other numbers required by the entity subject to this section or benefit administrator to process a prescription claim electronically; **AND**

(2) INDICATES WHICH STATE AGENCY REGULATES, IN WHOLE OR IN PART, THE POLICY OR CONTRACT OFFERED BY THE ENTITY BY:

(I) FOR AN ENTITY SUBJECT TO THE ADMINISTRATION, DISPLAYING “~~MARYLAND INSURANCE ADMINISTRATION~~ MD INSURANCE ADMIN. MIA” PROMINENTLY; OR

(II) FOR AN ENTITY SUBJECT TO THE MARYLAND DEPARTMENT OF HEALTH, DISPLAYING “~~MARYLAND DEPARTMENT OF HEALTH~~ MD DEPT. HEALTH MDH” PROMINENTLY.

15-130.1.

(A) THIS SECTION APPLIES TO:

(1) EACH HEALTH INSURER;

(2) EACH NONPROFIT HEALTH SERVICE PLAN;

(3) EACH HEALTH MAINTENANCE ORGANIZATION; AND

(4) EACH MANAGED CARE ORGANIZATION, AS DEFINED IN § 15-101 OF THE HEALTH – GENERAL ARTICLE.

(B) EACH ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE TO EACH INSURED, SUBSCRIBER, OR ENROLLEE OF A POLICY OR CONTRACT THAT MEETS THE DEFINITION OF MINIMUM ESSENTIAL COVERAGE, AS DESCRIBED IN 26 C.F.R. § 1.5000A-2, A HEALTH INSURANCE BENEFIT CARD, PRESCRIPTION BENEFIT CARD, OR OTHER TECHNOLOGY THAT INDICATES WHICH STATE AGENCY REGULATES, IN WHOLE OR IN PART, THE POLICY OR CONTRACT OFFERED BY THE ENTITY BY:

(1) FOR AN ENTITY SUBJECT TO THE ADMINISTRATION, DISPLAYING “~~MARYLAND INSURANCE ADMINISTRATION~~ MD INSURANCE ADMIN. MIA” PROMINENTLY; OR

(2) FOR AN ENTITY SUBJECT TO THE MARYLAND DEPARTMENT OF HEALTH, DISPLAYING “~~MARYLAND DEPARTMENT OF HEALTH~~ MD DEPT. HEALTH MDH” PROMINENTLY.

(C) THIS SECTION MAY NOT BE CONSTRUED TO PRECLUDE AN ENTITY SUBJECT TO THIS SECTION FROM INCLUDING:

(1) ANY OTHER INFORMATION REQUIRED TO BE INCLUDED UNDER THIS ARTICLE; OR

1                   (2) ANY INFORMATION THAT IS IN ADDITION TO THE INFORMATION  
2 REQUIRED UNDER THIS SECTION.

3           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
4 policies or contracts issued, delivered, or renewed in the State on or after January 1, 2021.

5           SECTION ~~2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 January 1, 2021.

Approved:

---

Governor.

---

President of the Senate.

---

Speaker of the House of Delegates.