

# SENATE BILL 99

C3

01r0045

(PRE-FILED)

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

Requested: September 16, 2019

Introduced and read first time: January 8, 2020

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 4, 2020

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

12 BY repealing and reenacting, without amendments,  
13 Article – Insurance  
14 Section 15–130(a)  
15 Annotated Code of Maryland  
16 (2017 Replacement Volume and 2019 Supplement)

17 BY repealing and reenacting, with amendments,  
18 Article – Insurance  
19 Section 15–130(b)  
20 Annotated Code of Maryland  
21 (2017 Replacement Volume and 2019 Supplement)

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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.



1 BY adding to  
2 Article – Insurance  
3 Section 15–130.1  
4 Annotated Code of Maryland  
5 (2017 Replacement Volume and 2019 Supplement)

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

8 **Article – Insurance**

9 15–130.

10 (a) (1) This section applies to:

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

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

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

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

22 (2) This section does not apply to:

23 (i) short–term travel or accident–only policies;

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

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

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

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

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

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

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

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

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

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

17 (I) FOR AN ENTITY SUBJECT TO THE ADMINISTRATION,  
18 DISPLAYING "~~MARYLAND INSURANCE ADMINISTRATION~~ MD INSURANCE ADMIN."  
19 PROMINENTLY; OR

20 (II) FOR AN ENTITY SUBJECT TO THE MARYLAND DEPARTMENT  
21 OF HEALTH, DISPLAYING "~~MARYLAND DEPARTMENT OF HEALTH~~ MD DEPT.  
22 HEALTH" PROMINENTLY.

23 **15-130.1.**

24 (A) THIS SECTION APPLIES TO:

25 (1) EACH HEALTH INSURER;

26 (2) EACH NONPROFIT HEALTH SERVICE PLAN;

27 (3) EACH HEALTH MAINTENANCE ORGANIZATION; AND

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

1 (B) EACH ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE TO EACH  
 2 INSURED, SUBSCRIBER, OR ENROLLEE OF A POLICY OR CONTRACT THAT MEETS THE  
 3 DEFINITION OF MINIMUM ESSENTIAL COVERAGE, AS DESCRIBED IN 26 C.F.R. §  
 4 1.5000A-2, A HEALTH INSURANCE BENEFIT CARD, PRESCRIPTION BENEFIT CARD,  
 5 OR OTHER TECHNOLOGY THAT INDICATES WHICH STATE AGENCY REGULATES, IN  
 6 WHOLE OR IN PART, THE POLICY OR CONTRACT OFFERED BY THE ENTITY BY:

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

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

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

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

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

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

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.