



**HB607 State Health and Welfare Benefits Program - Requirements for
Selection of Pharmacy Benefits Manager
House Health and Government Operations Committee
Position: SUPPORT WITH AMENDMENTS
February 10, 2021**

Background: Requiring that the terms of a certain participant bidding agreement for participation in a reverse auction for the selection of a pharmacy benefits manager for the Maryland Rx Program include a requirement that the bidder, if selected as a pharmacy benefits manager for the Program through the auction, pay a fee-for-service professional dispensing fee to certain pharmacists; etc.

Written Comments: The Maryland Retailers Association (MRA) Maryland Chain Drug Store Association (MACDS) supports this legislation, but in order for this to work, the term “pharmacist” on page four should be “pharmacy” because it is the pharmacy that contracts with the PBM; and it would be pharmacies that would be participating in the cost-to-dispense survey, not individual pharmacists. See below:

(2)(I)THE TERMS OF A PARTICIPANT BIDDING AGREEMENT THAT ALL BIDDERS MUST ACCEPT AS A PREREQUISITE FOR PARTICIPATION IN THE REVERSE AUCTION SHALL INCLUDE A REQUIREMENT THAT A BIDDER, IF SELECTED AS A PHARMACY BENEFITS MANAGER FOR THE MARYLAND RX PROGRAM, PAY A FEE-FOR-SERVICE PROFESSIONAL DISPENSING FEE TO ~~A PHARMACIST~~ PHARMACY (INSERT) THAT IS BASED ON AN IN-STATE COST TO DISPENSE MARKET SURVEY.

It is for these reasons we urge a favorable report.

