



**Date:** March 2, 2022

**To:** The Honorable Delores G. Kelley

**From:** Aliyah N. Horton, CAE, Executive Director, MPhA, 240-688-7808

**Cc:** Members, Finance Committee

**Re: FAVORABLE SB 661 – Reimbursement of Pharmacist Services Rendered**

---

The Maryland Pharmacists Association (MPhA) urges a favorable report for **SB 661 – Reimbursement of Pharmacist Services Rendered**. The bill serves to give pharmacists the recognition they deserve and expands opportunities for innovation in the pharmacy profession.

The bill was intended to be a companion to HB 1219. I have also attached an addendum with draft language to amend the bill to match the introduced House bill, with minor additions provided by stakeholders.

When pharmacists are recognized and engaged as important members of the health care team, patient outcomes improve, patients report higher rates of satisfaction and overall health care costs are reduced.

The legislation has two objectives:

1. Provider designation – recognize the pharmacist profession and eliminate barriers to coverage for pharmacist-provided patient care services
2. Payment– ensures reimbursement for pharmacist-provided patient care services

## **PROVIDER DESIGNATION**

Pharmacists in Maryland have varying designations as healthcare providers in Maryland law, primarily based on specific services.

Designating pharmacists as healthcare providers better aligns the role of the pharmacist with their extensive healthcare education and training.

Pharmacists work closely with their patients and other health care providers to enhance quality of care, improve health outcomes, and save money for the patient and health care system.

During the COVID-19 pandemic, pharmacists have been integral to the delivery of public health services including, but not limited to, administering immunizations, administering COVID-19 therapies, telehealth management of chronic disease states and COVID-19 testing.

Pharmacies remained open and accessible to patients for care when many ambulatory clinics and other healthcare provider offices were closed. These contributions should not continue as voluntary service when other healthcare providers' time and expertise are reimbursed by payors.

## **PAYMENT FOR PATIENT CARE SERVICES**



Pharmacies have consistently been challenged by predatory pharmacy benefit manager practices related to underreimbursement for medications and low dispensing fees, among other issues.

This has put tremendous pressure on the current pharmacy business model. Most pharmacy revenue comes from dispensing medications. The focus on prescription volume, in some practices, restricts the ability of pharmacists to work directly with patients in areas in which they are trained.

If a payor has determined a certain service is a covered benefit, does it matter if a physician, nurse practitioner, physician's assistant or pharmacist provides the service? As long it is within their scope of practice? **It is a matter of healthcare provider equity.**

With the passage of this bill, physician practices and health clinics with pharmacists on staff can better leverage their resources if they are able to bill payors for their pharmacist's time.

All healthcare providers should be reimbursed for their work. There are nearly two dozen Current Procedural Terminology (CPT) codes available for pharmacists billing nationally, there is not a mechanism to make that happen with payors in Maryland.

Payment for services provides a revenue stream for pharmacist work AND improves patient outcomes. Changes in both of these areas improves pharmacist job-satisfaction and well-being.

## **RETURN ON INVESTMENT**

The Fiscal Note for SB 661 indicates limited impact on the state budget and provides positive impacts for small businesses, like independent pharmacies.

Pharmacist patient-care services demonstrate improved patient outcomes and reduced overall health care costs. As an example, a study conducted in safety-net clinics located in Maryland demonstrated a positive return on investment (ROI) of \$5 to \$25 for every \$1 invested in pharmacist clinical interventions.<sup>1</sup>

Additionally, a systematic review indicated positive return on investment when evaluating broader cognitive pharmacist services as a whole, with up to \$4 in benefits expected for every \$1 invested in clinical pharmacy services.<sup>2</sup>

## **IMPACT ON COMMUNITY HEALTH**

According to the Kaiser Family Foundation, there are 47 areas in Maryland that are designated as health professional shortage areas. This includes 19 out of Maryland's 23 Counties and the City of Baltimore.

Pharmacists are one of the most accessible health care providers for Maryland patients, with most Maryland residents living within five miles of a pharmacy.

SB 661 facilitates opportunities for pharmacists to fill patient care gaps in service and access.



## **AROUND THE COUNTRY**

States with current pharmacist payment parity legislation: Illinois, Colorado, Kentucky, New Mexico, Oklahoma, Tennessee, Texas, Virginia, Washington, West Virginia, Ohio, Oregon.

Additional states with temporary pharmacist payment legislation (COVID-19 state of emergency, Medicaid): Arkansas, Louisiana, Maine, Michigan.

## **ADDITIONAL PHARMACY SUPPORT**

The bill is also a legislative priority of the Maryland Pharmacy Coalition (MPC). MPC provides a forum for discussion and understanding between Maryland's pharmacy associations on issues impacting the practice of pharmacy and the public's health.

### *Full members:*

Maryland Pharmacists Association  
American Society of Consultant Pharmacists - Maryland Chapter  
Maryland Pharmaceutical Society  
Maryland Society of Health System Pharmacists  
University of Maryland Baltimore School of Pharmacy Student Government Association  
University of Maryland Eastern Shore School of Pharmacy Student Government Association  
Notre Dame of Maryland University School of Pharmacy Student Government Association

### *Affiliate members:*

University of Maryland Baltimore School of Pharmacy  
University of Maryland Eastern Shore School of Pharmacy  
Maryland Association of Chain Drug Stores  
Notre Dame of Maryland University School of Pharmacy  
DC Chapter of American Colleges of Clinical Pharmacy

## **MARYLAND PHARMACISTS ASSOCIATION (MPhA)**

Founded in 1882, MPhA is the only state-wide professional society representing all practicing pharmacists in Maryland. Our mission is to strengthen the profession of pharmacy, advocate for all Maryland pharmacists and promote excellence in pharmacy practice.

<sup>1</sup> Truong H, Groves C, Congdon H, et al. Potential cost savings of medication therapy management in safety-net clinics. *J Am Pharm Assoc*, 2015;55:e277-e280.

<sup>2</sup> Talon B, Perez A, Yan C, et al. Economic evaluations of clinical pharmacy services in the United States: 2011-2017. *J Am Coll Clin Pharm*, 2020;3(4):793-806.

**MPhA Testimony – ADDENDUM**

**Clarifying Amendments to SB 661**

***Amendments are designed to align the bill with HB 1219 it's intended companion and to reflect additional feedback from stakeholders.***

Page 1 line 22 Section 4 – 403(a)(1)(xix) and (xx) insert, **15-148(c)**

Page 2 Insert the below text after Line 31 and before Line 32 Section 18-336

**15–148.**

**(c) The Program and the Maryland Children’s Health Program shall provide coverage for services [, to the same extent as services rendered by any other licensed health care practitioner,] rendered to an enrollee by a licensed pharmacist [under] IN ANY SETTING IF:**

**[(1) § 12–509 of the Health Occupations Article in administering self–administered medications or maintenance injectable medications; or**

**(2) § 12–511 of the Health Occupations Article in screening an enrollee and prescribing contraceptives for the enrollee.]**

**(1) THE PROGRAM AND MARYLAND CHILDREN’S HEALTH PROGRAM PROVIDES COVERAGE FOR THE SAME SERVICES RENDERED BY ANY OTHER LICENSED HEALTH CARE PRACTITIONER; AND**

**(2) THE SERVICES ARE WITHIN THE SCOPE OF PRACTICE OF THE LICENSED PHARMACIST.**

Replace Lines 19-29 with the following:

**(b) An entity subject to this section shall provide coverage and REIMBURSEMENT for services rendered IN ANY SETTING by a licensed pharmacist [under § 12–509 of the Health Occupations Article] to an individual who is covered under a policy or contract issued or delivered by the entity, [to the same extent as] IF:**

**(1) COVERAGE IS PROVIDED UNDER THE POLICY OR CONTRACT FOR THE SAME COVERAGE AND REIMBURSEMENT services rendered by any other licensed health care PROVIDER, [ practitioner, for patient assessment regarding and in administering self–administered medications or maintenance injectable medications]; AND**

**(2) THE SERVICES ARE WITHIN THE SCOPE OF PRACTICE OF THE LICENSED PHARMACIST.**

**SECTION 2. AND BE IT FURTHER ENACTED, That, to implement § 15–148(c) of the Health – General Article as enacted by Section 1 of this Act, on or before January 1, 2023, the Department of Health shall apply for and obtain from the United States Department of Health and Human Services any necessary amendments to or waivers for the State Medical Assistance Program or the Maryland Children’s Health Program.**