



# Pharmacy Benefits Managers Workgroup

**Meeting #3**

**Wednesday, October 8, 2025**

Co-Chairs: Mary Kwei, MIA, Associate Commissioner, Market Regulation and Professional Licensing  
Athos Alexandrou, MDH, Director, Office of Pharmacy Services

# Today's Discussion

## **Begin discussing coverage requirements for specialty drugs**

- Specialty drugs in Maryland
- How should the Workgroup determine which drugs are considered specialty drugs across carriers and formularies, and what those drugs have in common?

## **Begin discussing a review of state laws concerning PBMs, specialty pharmacies, and anti-steering, and their impact on pharmacy costs in the fully insured market, including §§ 15–1611.1 and 15–1612 of the Insurance Article**

- Open discussion on the best ways to measure and determine impact

# Coverage Requirements for Specialty Drugs

# HB813 Charges:

...

“(3) review coverage requirements for specialty drugs, including:

(i) which drugs are considered specialty for purposes of formularies across carriers and pharmacy benefits managers; and

(ii) what these drugs have in common for purposes of developing a new definition for “specialty drug”;

...

*\*discussion of this topic will continue into 2026*

# What is a Specialty Drug?

## Insurance Article §15–847:

...

(5) (i) “Specialty drug” means a prescription drug that:

1. is prescribed for an individual with a complex or chronic medical condition or a rare medical condition;

2. costs \$600 or more for up to a 30–day supply;

3. is not typically stocked at retail pharmacies; and

4. A. requires a difficult or unusual process of delivery to the patient in the preparation, handling, storage, inventory, or distribution of the drug; or

B. requires enhanced patient education, management, or support, beyond those required for traditional dispensing, before or after administration of the drug.

(ii) “Specialty drug” does not include a prescription drug prescribed to treat diabetes, HIV, or AIDS.

...

# What is a Specialty Drug?

## COMAR 10.67.06.04:

...

H. In this regulation, the term "specialty drug" means:

(1) A prescription drug that:

- (a) Is prescribed for an individual with a complex, chronic or rare medical condition;
- (b) Costs \$600 or more for up to a 30-day supply;
- (c) Is not typically stocked at retail pharmacies; and
- (d) Requires a difficult or unusual process of delivery to the patient in the preparation, handling storage, inventory or distribution of the drug; or

(2) Requires enhanced patient education, management, or support, beyond those required for traditional dispensing, before or after administration of the drug.

...

# Where Marylanders can Obtain Specialty Drugs

**Insurance Article §15–847 (TAKES EFFECT JANUARY 1, 2026 PER CHAPTERS 728 AND 729 OF 2025):**

...

(d) Subject to subsection (h) of this section and § 15–805 of this subtitle, notwithstanding § 15–806 of this subtitle, and except as provided in § 15–847.2 of this subtitle, this article or regulations adopted under this article do not preclude an entity subject to this section from requiring a covered specialty drug to be obtained through:

(1) a designated pharmacy or other source authorized under the Health Occupations Article to dispense or administer prescription drugs; or

(2) a pharmacy participating in the entity’s provider network, if the entity determines that the pharmacy:

(i) meets the entity’s performance standards; and

(ii) accepts the entity’s network reimbursement rates.

...



# Where Marylanders can Obtain Specialty Drugs

## COMAR 10.67.06.04:

...

G. Any option for accessing pharmacy services by mail order may be implemented only at the request of the enrollee except for when the drug is a specialty drug as defined in §H of this regulation.

H. In this regulation, the term "specialty drug" means:

(1) A prescription drug that:

(a) Is prescribed for an individual with a complex, chronic or rare medical condition;

(b) Costs \$600 or more for up to a 30-day supply;

(c) Is not typically stocked at retail pharmacies; and

(d) Requires a difficult or unusual process of delivery to the patient in the preparation, handling storage, inventory or distribution of the drug; or

(2) Requires enhanced patient education, management, or support, beyond those required for traditional dispensing, before or after administration of the drug.

I. If an enrollee subsequently requests to use a retail pharmacy for specialty drugs the MCO may not limit the enrollee to the use of a mail order pharmacy.

...





**Open discussion on how the Workgroup should determine which drugs are considered specialty drugs across carriers and formularies, and what those drugs have in common.**

# **Review of State Laws Concerning PBMs, Specialty Pharmacies, and Anti-Steering and Their Impact on Pharmacy Costs in the Fully Insured Market**

# HB813 Charges:

...

“(6) review provisions of State law regarding pharmacy benefit managers, specialty pharmacies, and anti-steering, including:

- (i) § 15–1611.1 of the Insurance Article related to the use of specific pharmacies or entities and the effect the section has on pharmacy costs in the fully insured market; and
- (ii) § 15–1612 of the Insurance Article related to reimbursement and the effect the section has on pharmacy costs in the fully insured market”

...

*\*discussion of this topic will continue into 2026*

# § 15–1611.1 of the Insurance Article

**§15–1611.1. \*\* TAKES EFFECT JANUARY 1, 2026 PER CHAPTERS 728 AND 729 OF 2025 \*\***

(a) This section applies only to a pharmacy benefits manager that provides pharmacy benefits management services on behalf of a carrier.

(b) Except as provided in subsection (c) of this section, a pharmacy benefits manager may not require that a beneficiary use a specific pharmacy or entity to fill a prescription if:

(1) the pharmacy benefits manager or a corporate affiliate of the pharmacy benefits manager has an ownership interest in the pharmacy or entity; or

(2) the pharmacy or entity has an ownership interest in the pharmacy benefits manager or a corporate affiliate of the pharmacy benefits manager.

(c) Except as provided in § 15–847.2 of this title, a pharmacy benefits manager may require a beneficiary to use a specific pharmacy or entity for a specialty drug as defined in § 15–847 of this title.

# § 15–1612 of the Insurance Article

**§15–1612. \*\* TAKES EFFECT JANUARY 1, 2026 PER CHAPTERS 728 AND 729 OF 2025 \*\***

(a) This section applies only to a pharmacy benefits manager that provides pharmacy benefits management services on behalf of a carrier.

(b) This section does not apply to reimbursement:

(1) except as provided in § 15–847.2 of this title, for specialty drugs;

(2) for mail order drugs; or

(3) to a chain pharmacy with more than 15 stores or a pharmacist who is an employee of the chain pharmacy.

(c) A pharmacy benefits manager may not reimburse a pharmacy or pharmacist for a pharmaceutical product or pharmacist service in an amount less than the amount that the pharmacy benefits manager reimburses itself or an affiliate for providing the same product or service.

**Open discussion on effective methods to assess the impact of state laws regarding PBMs, specialty pharmacies, and anti-steering—including §§ 15–1611.1 and 15–1612 of the Insurance Article—on pharmacy costs in the fully insured market.**

# Questions and/or Comments from Workgroup Members



# Questions and/or Comments from Public Stakeholders





# Written Comments

Written comments will be accepted through EOD  
Wednesday, October 22, 2025, on the topics  
covered in today's meeting.


Those can be submitted via email to:  
[pharmacyservicesworkgroup.mia@maryland.gov](mailto:pharmacyservicesworkgroup.mia@maryland.gov)



Thank  
you

# Contact Information

## Maryland Insurance Administration

 **800-492-6116 | 410-468-2000 | 800-735-2258 (TTY)**

 **[insurance.maryland.gov](https://insurance.maryland.gov)**



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