



# Pharmacy Benefits Managers Workgroup

Meeting #1

Thursday, May 21, 2026

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

# Today's Discussion

- I. New Workgroup Member Introductions
- I. Overview of 2026 Work Plan
- I. Continued discussion 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
- I. Discussion of the Workgroup's charge related to costs associated with pharmacies contracting with commercial plans versus pharmacies contracting with the Maryland Medical Assistance Program

# New Workgroup Member Introductions

# HB813 (2025) Requirements

“SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Maryland Insurance Administration and the Maryland Department of Health, in consultation with the Prescription Drug Affordability Board, shall:

(1) convene a workgroup of interested stakeholders, including community pharmacies from both chain and independent settings, pharmacy services administrative organizations, health insurance carriers, plan sponsor representatives, drug wholesalers and distributors, non-pharmacy benefit manager-owned mail order pharmacies, brand name and generic drug manufacturers, pharmacists, pharmacy benefits managers, and managed care organizations, and third-party experts in the field of drug pricing in Medicaid;”

# Workgroup Members

Entity Required to be Represented	Representative Name	Representative's Organization
community pharmacies - chain setting	Jill McCormack	National Association of Chain Drug Stores
community pharmacies - independent setting	Steve Wiener	Mt. Vernon Pharmacy
pharmacy services administrative organizations	Brian Hose	EPIC Pharmacy Network
health insurance carriers	Kim Robinson	CareFirst
plan sponsor representatives	VACANT	
drug wholesalers and distributors	Kelly Memphis	Healthcare Distribution Alliance
non-pharmacy benefit manager-owned mail order pharmacies	Scott Glasscock	Walmart

# Workgroup Members

Entity Required to be Represented	Representative Name	Representative's Organization
brand name drug manufacturers	Jay Eberle	AstraZeneca
generic drug manufacturers	VACANT	
pharmacists	Aliyah Horton	Maryland Pharmacists Association
pharmacy benefit managers	Rob Coppola	MedImpact
third party experts in the field of drug pricing in Medicaid	Allan Hansen	Myers and Stauffer
managed care organizations	Meredith Fleming	WellPoint
Maryland Board of Pharmacy (*not a required entity)	Deena Speights-Napata	Maryland Board of Pharmacy

# Member Recommendations

Recommendations for open seats on the Workgroup can be emailed  
to:

[pharmacyservicesworkgroup.mia@maryland.gov](mailto:pharmacyservicesworkgroup.mia@maryland.gov)

# Overview of 2026 Work Plan

# Topics to Be Covered in 2026

## HB813 Charges:

“(2) review reimbursement for pharmacists, including:

(i) existing Maryland Medical Assistance Program requirements for pharmacy benefits managers and managed care organizations related to dispensing fee reimbursement, pharmacy benefits managers fees charged to pharmacies and the Maryland Medical Assistance Program, transparency in pricing and reimbursement data, specialty drug designations, and appeals processes;

(ii) how other states’ pharmacy benefits services operate in Medicaid, including in Ohio, Kentucky, New York, California, and West Virginia;

(iii) measures that offset the Department’s costs to fund the Medicaid Managed Care Program and adopt NADAC plus the Fee–for–Service Professional Dispensing, including:

1. savings associated with NADAC ingredient cost pricing and managed care organizations; and
2. pharmacy benefits managers administrative fee consolidation and rebate allocations; and

(iv) strategies for adopting pharmacy reimbursement parity and drug pricing transparency;”

# Topics to Be Covered in 2026

## HB813 Charges Continued:

*“(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”;*

...

*(5) review the costs associated with pharmacies contracting with commercial plans versus pharmacies contracting with the Maryland Medical Assistance Program;*

*(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 these topics is continued from 2025*

# Topics to Be Covered in 2026

## HB1469 - Health Insurance – Workgroup to Study the Definition of Specialty Drug Sponsored by Del. Cullison

- Withdrawn on the condition that the charges be absorbed into this workgroup
- (c) The workgroup shall study the definition of “specialty drug” established under 1 § 15–847 of the Insurance Article to:
  - (1) determine:
    - (i) which stakeholders benefit from the definition;
    - (ii) which stakeholders are disadvantaged by the definition;
    - (iii) how each stakeholder group applies the definition;
    - (iv) the impact of the definition on patients; and
    - (v) any unintended consequences of the definition;
  - (2) compare the definition to other definitions of “specialty drug” used in:
    - (i) federal law;
    - (ii) other states’ laws, and
    - (iii) international law; and
  - (3) make a recommendation for a new definition of “specialty drug” that is in the best interest of patients and all stakeholders in the State.

# Key Dates

## Workgroup Meetings (all virtual)

- Workgroup meeting #2: Tuesday, June 30, 2026, 11:00am to 12:30pm
  - Topic: The definition of and coverage requirements for specialty drugs
- Workgroup meeting #3: Tuesday, July 28, 2026, 11:00am to 12:30pm
  - Topic: Begin discussing reimbursement for pharmacists. Discussion of this topic will continue into the fourth public meeting.
- Workgroup meeting #4: Tuesday, August 25, 2026, 10:00am to 11:30am
  - Topic: Continue discussing reimbursement for pharmacists
- Workgroup meeting #5: Tuesday, September 22, 2026, 10:00am to 11:00am
  - Topic: MIA and MDH will share the recommendations that will be included in the final report, and accept Workgroup feedback
- Workgroup meeting #6: Friday, October 30, 2026, 2:00pm to 3:00pm
  - Topic: Draft final report will be presented and feedback accepted

# Written Comments

Written comments will be accepted for two weeks following each public meeting, on the topics covered in that meeting. Those can be submitted via email to:

[pharmacyservicesworkgroup.mia@maryland.gov](mailto:pharmacyservicesworkgroup.mia@maryland.gov)

This information will also be provided at the end of each meeting.

# Key Dates

## Final Report Development

- October 1-29, 2026: Agency staff drafts final report
- October 30, 2026: Draft final report presented in Workgroup meeting #6 and released for two week public comment period
- November 13, 2026: Record closes for public comments on draft final report
- November 16-27, 2026: Agency staff make report revisions based on Workgroup and public feedback (as needed)
- November 30, 2026: Revised report shared with Workgroup members for review
- December 11, 2026: Final report finalized and submitted to the Governor's Office for review and approval
- December 31, 2026: Final report submitted to the General Assembly

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

# HB813 Charge:

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“(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 is continued from 2025*

# § 15–1611.1 of the Insurance Article

## §15–1611.1.

(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.

- (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.**

# **Costs Associated with Pharmacies Contracting with Commercial Plans versus**

# **Pharmacies Contracting with the Maryland Medical Assistance Program**

# HB813 Charge #5:

...

“(5) review the costs associated with pharmacies contracting with commercial plans versus pharmacies contracting with the Maryland Medical Assistance Program”

...

# HB 813 Charge - Items for Review

- Participation Costs and Fees
  - Costs for providers to participate in the PBM's network
- Transaction Fees including Retrospective Reimbursement Adjustments
  - Fees assessed by PBMs for each claim submitted for processing
  - Retrospective adjustments to pharmacy's reimbursement (GER/BER)
- Reimbursement Trends
  - Average reimbursement rates for ingredient cost and professional dispensing fee

# HB 813 Charge - Additional Discussion?

- Input from Workgroup members
  - Personal Experiences
  - Gaps in discussion
  - Potential solutions
- Research to be conducted and potentially presented at next meeting

# Questions and/or Comments from Workgroup Members

# Questions and/or Comments from Public Stakeholders

# Written Comments

Written comments will be accepted through EOD Thursday, June 4, 2026, 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 (toll-free)

410-468-2000 (local)









800-735-2258 (TTY)

[insurance.maryland.gov](http://insurance.maryland.gov)



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