



Submitted via E-mail

insurancereview.mia@maryland.gov

January 31, 2020

Ms. Lisa Larson
Regulations Manager
Maryland Insurance Administration
200 Saint Paul Place, Suite 2700
Baltimore, MD 21202

Re: Proposed Regulations Regarding Pharmacy Benefit Managers (PBMs), their Contracts with Pharmacies, and the Appeals Process for Pharmacies to Use

Dear Ms. Larson:

On behalf of our members operating pharmacies in the state of Maryland, the National Association of Chain Drug Stores (NACDS) and the Maryland Association of Chain Drug Stores (MACDS) thanks the Maryland Insurance Administration (MIA) for the opportunity to comment on proposed regulations to implement recently passed legislation regarding pharmacy benefit managers (PBMs), their contracts with pharmacies, and the appeals process for pharmacies to use when there is a dispute over cost pricing between them and PBMs.

We appreciate MIA for acting swiftly to promulgate regulations to help ensure that local community pharmacies can continue to serve the needs of Marylanders.

NACDS and MACDS support the provisions of the proposed rules to help level the playing field among PBMs and neighborhood pharmacies, and help ensure that local Maryland pharmacies may be fairly and properly reimbursed for the prescription medications they provide and associated pharmacy services such as immunizations and helping patients take their medications accurately and safely. Unfortunately, pharmacies often must dispense drugs and provide services at a financial loss or lose access to many longtime patients. In most cases, this results from unclear or confusing reimbursement contracts.

NACDS and MACDS support requiring PBMs to include in their pharmacy contracts clearly defined drug pricing methodologies, routinely updating drug pricing, paying pharmacies promptly, and allowing pharmacies to contest changes in their reimbursement. Contract pricing terms should be clear, objective, and consistent with both marketing and pricing practices.

We urge MIA to finalize the rules as they have been proposed. If you have any questions, please do not hesitate to contact Jill McCormack at jmccormack@nacds.org or 717-525-8962.

Regards,

Steven C. Anderson, IOM, CAE
President and Chief Executive Officer
NACDS

Cailey E. Locklair
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