LARRY HOGAN Governor

BOYD K. RUTHERFORD Lt. Governor



AL REDMER, JR. Commissioner

JAY COON Deputy Commissioner

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BULLETIN 20-22

DATE: April 30, 2020

TO: All Health Carriers

RE: COVID-19 State of Emergency: Audits of Pharmacies

On March 5, 2020, Governor Larry Hogan issued a Proclamation declaring a State of Emergency and that a Catastrophic Health Emergency exists in the State of Maryland. On April 28, 2020, changes to Code of Maryland Regulations ("COMAR") 31.01.02.02 and .06 took effect on an emergency basis.

Pursuant to § 2-115 of the Insurance Article and COMAR 31.01.02.05 and 06, the Commissioner is invoking his emergency powers to activate COMAR 31.01.02.06L, which provides: "The Commissioner may require pharmacy benefits managers and health carriers to suspend random audits, including, but not limited to in-person or 'desk' audits, of pharmacies, unless there is a reasonable suspicion of fraud."

These regulations shall be in effect along with those activated in Bulletins 20-05 and 20-06 until the emergency declaration is lifted or the Commissioner issues a Bulletin deactivating the regulations at issue.

Questions about this Bulletin may be directed to the Life & Health Unit of the Maryland Insurance Administration at 410-468-2170.

AL REDMER, JR. Commissioner

By:

signature on original

David Cooney Associate Commissioner Special Note: The Maryland Insurance Administration remains fully operational during the COVID-19 emergency. If you would like to file an insurance complaint, please use our online portal: <u>https://enterprise.insurance.maryland.gov/consumer/ConsumerPortalWelcomePage.aspx</u>

About the Maryland Insurance Administration

The Maryland Insurance Administration is an independent State agency charged with regulating Maryland's \$28.5 billion insurance industry. For more information about the Insurance Administration, please visit <u>www.insurance.maryland.gov</u> or follow us on Facebook at <u>www.facebook.com/MDInsuranceAdmin</u>, Twitter at <u>@MD_Insurance</u>, LinkedIn at <u>www.linkedin.com/company/maryland-insurance-administration</u> or Instagram at <u>@marylandinsuranceadmin</u>.