**PROPOSAL**

**Maryland Register**

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**Title 10
MARYLAND DEPARTMENT OF HEALTH**

**Subtitle 09 MEDICAL CARE PROGRAMS**

**10.09.03 Pharmacy Services**

Authority: Health-General Article, §§2-104(b), 15-103, 15-103.1, 15-105,
15-118, and 15-148, Annotated Code of Maryland

**Notice of Proposed Action**

[20-177-P]

The Secretary of Health proposes to amend Regulation **.07** under **COMAR 10.09.03 Pharmacy Services**.

**Statement of Purpose**

The purpose of this action is to increase the professional dispensing fees paid to Maryland Medicaid community participating pharmacy providers for covered services. This includes covered services rendered to participants in nursing facilities and covered services rendered to individuals who do not reside in nursing facilities, in order to comply with federal mandates established by CMS’ Covered Outpatient Drug Final Rule (CMS-2345-FC).

**Comparison to Federal Standards**

There is a corresponding federal standard to this proposed action, but the proposed action is not more restrictive or stringent.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**The proposed action increases the professional dispensing fee (PDF) paid to pharmacies effective February 1, 2021. In FY 2021, the total impact is $337,500.

|  |  |  |
| --- | --- | --- |
|   | Revenue (R+/R-) |   |
| **II. Types of Economic Impact.** | Expenditure(E+/E-) | Magnitude |
|   |  |
|  |  |  |
| A. On issuing agency: | (E+) | $337,500 |
| B. On other State agencies: | NONE |  |
| C. On local governments: | NONE |  |
|   |
|   | Benefit (+)Cost (-) | Magnitude |
|   |  |
|  |  |  |
| D. On regulated industries or trade groups: | (+) | $337,500 |
| E. On other industries or trade groups: | NONE |  |
| F. Direct and indirect effects on public: | NONE |  |
| **III. Assumptions.** (Identified by Impact Letter and Number from Section II.) |
| A. and D. This amount assumes:·   The Maryland Medicaid Pharmacy Program is increasing the professional dispensing fees paid to pharmacies for covered services rendered to participants residing in nursing facilities from $11.49 to $11.67. It is also increasing the professional dispensing fee paid to pharmacies for covered services rendered to individuals other than residents in nursing facilities from $10.49 to $10.67.·   Estimated magnitude is based on FY 2019 utilization (4,500,000 prescriptions), and utilization will remain consistent. The Department estimates Maryland Medicaid pharmacies will dispense 1,875,000 prescriptions between February 1, 2021 and June 30, 2021.·   This amount is subject to 50 percent federal match ($168,750 federal and $168,750 general funds). |

**Economic Impact on Small Businesses**

The proposed action has a meaningful economic impact on small businesses. An analysis of this economic impact follows.

The proposed action increases the PDF paid to pharmacies for covered services rendered to participants residing in nursing facilities from $11.49 to $11.67 and increases the professional dispensing fee paid to pharmacies for covered services rendered to individuals other than residents in nursing facilities from $10.49 to $10.67. As such, all Maryland Medicaid-enrolled pharmacies that qualify as small businesses will benefit from increased reimbursement for covered services rendered to Maryland Medicaid participants.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

**Opportunity for Public Comment**

Comments may be sent to Jake Whitaker, Acting Director, Office of Regulation and Policy Coordination, Maryland Department of Health, 201 West Preston Street, Room 512, Baltimore, MD 21201, or call 410-767-6499 (TTY 800-735-2258), or email to mdh.regs@maryland.gov, or fax to 410-767-6483. Comments will be accepted through December 7, 2020. A public hearing has not been scheduled.

**.07 Payment Procedures.**

A.—H. (text unchanged)

I. Payment for Covered Services to a Pharmacy.

(1)—(9) (text unchanged)

(10) The professional dispensing fee for covered services rendered on or after **[**April 1, 2017**]** *February 1, 2021* to a pharmacy for participants residing in nursing facilities shall be **[**$11.49**]***$11.67*.

(11) The professional dispensing fee for covered services rendered on or after **[**April 1, 2017**]** *February 1, 2021*to a pharmacy for individuals other than residents in nursing facilities shall be **[**$10.49**]** *$10.67*.

(12)—(13) (text unchanged)

J.—K. (text unchanged)

ROBERT R. NEALL
Secretary of Health