

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1051
Health

(Delegate Rosenberg)

Public Health - Patient Access to Medication

This bill establishes a Meds-to-Beds Program in the Maryland Department of Health (MDH) to reduce hospital readmissions by using a licensed pharmacist to deliver discharge medications to patients before they leave the hospital. Each hospital in the State must participate in the program, and MDH must adopt regulations to carry it out. The bill also authorizes certain health care facilities to use automated drug dispensing systems and remote dispensing systems and permits a pharmacy to outsource “prescription processing” to another pharmacy under specified circumstances. The State Board of Pharmacy (MBOP) must adopt regulations establishing minimum requirements for such systems. The definition of “telehealth” with respect to Medicaid and health insurance coverage is expanded to include the use of automated drug dispensing systems and remote dispensing systems.

Fiscal Summary

State Effect: Minimal special fund revenue increase for the Maryland Insurance Administration in FY 2027 only from the \$125 rate and form filing fee; any additional workload can be handled with existing budgeted resources. No meaningful impact on the State Employee and Retiree Health and Welfare Benefits Program. MDH and MBOP can adopt regulations with existing budgeted resources.

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Automated Drug Dispensing Systems and Remote Dispensing Systems

A facility (a hospital, nursing facility, intermediate care facility, skilled nursing facility, comprehensive care facility, or extended care facility) may use an automated drug dispensing system or remote dispensing system if:

- a drug stored, dispensed, or distributed by the system is placed in the system in a facility and under the control of the pharmacy that provides services to the facility;
- the pharmacist-in-charge has established procedures for ensuring the accurate stocking and proper storage of drugs in the system and accountability for and security of all drugs in a system until the time drugs are removed from the system for administration to patients;
- the removal of a drug from a system for administration to a patient is made according to a written, electronic, or oral prescription;
- the facility provides adequate security for systems by establishing and adhering to written policies and procedures, as specified;
- the pharmacist-in-charge is accountable for all drugs dispensed from a system;
- the filling and stocking of all drugs in a system is performed under the direction of the pharmacist-in-charge and in accordance with specified standards; and
- except when an automated drug dispensing system is used exclusively for the administration of drugs for emergencies, a pharmacy located outside the facility it services is required to obtain a controlled substances registration and a registration from the federal Drug Enforcement Administration, as specified.

Filling and stocking of drugs into a system must be performed by a pharmacist or a registered pharmacy technician who is employed by the pharmacy supplying the drugs and properly trained, as specified. The pharmacist who stocks and fills a system is responsible for ensuring specified standards have been met. If a system is stocked and filled by a registered pharmacy technician, the pharmacist-in-charge is responsible for ensuring specified standards have been met.

Drugs placed into and removed from a system for administration to patients must be in the sealed original packaging; in unit-dose containers packaged by the pharmacy; or, if approved by the pharmacist-in-charge and in consultation with the facility, in multidose packaging or in a device, as specified.

The pharmacist-in-charge must establish procedures for periodically inspecting and auditing systems to ensure proper storage, security, and accountability, as well as reviewing the operation and maintenance of systems. If a pharmacy is located within a hospital, a pharmacist must review the operation and maintenance of the system while on the premises and for compliance with the procedures and regulations established by the pharmacist-in-charge and the board.

MBOP must adopt regulations establishing minimum requirements (1) for random periodic inspection and monthly audits of systems and reviewing the operation and maintenance of systems; (2) identifying where systems may be located; and (3) to ensure the security of drugs, confidentiality of protected health information, and appropriate record keeping.

Outsourcing of Prescription Processing

“Prescription processing” means any of the following activities related to dispensing prescription drugs: (1) receiving, interpreting, analyzing, or clarifying prescriptions; (2) entering prescription and patient data into a data processing system; (3) transferring prescription information; (4) performing a prospective drug review; (5) obtaining refill or substitution authorizations or otherwise communicating with a prescriber concerning a patient’s prescription; (6) interpreting clinical data for prior authorization for dispensing; (7) performing therapeutic interventions; or (8) providing drug information or counseling concerning a patient’s prescription to a patient or a patient’s agent. “Prescription processing” does not include the dispensing of a prescription drug.

A pharmacy may outsource prescription processing to another pharmacy in the State or in another state if (1) each pharmacy has the same owner or has entered into a specified written contract; (2) each pharmacy complies with State law and regulation relating to supervision of pharmacy technicians and duties that are restricted to pharmacists and pharmacy technicians; (3) a pharmacist licensed in the State performs a check for accuracy on all prescription processing done by a pharmacy in another state; and (4) each pharmacy shares a common electronic file or has technology that allows sufficient information sharing necessary to perform prescription processing.

A pharmacy that outsources prescription processing must provide notice to all patients of the outsourcing. A pharmacy may satisfy this requirement by posting a sign in the pharmacy in a location that is readily visible to the public, as specified.

Each pharmacy must develop, maintain, and make available to the public a policy and procedure manual that governs the outsourcing of prescription processing. The manual must include specified information and procedures.

A pharmacy that outsources prescription processing must maintain records that show specified information for each prescription processed. Each record must be maintained in a retrievable form for at least two years and available for inspection by the board.

The bill may not be construed to prohibit an individual employee licensed as a pharmacist in the State from accessing the employer pharmacy's database from a remote location for the purpose of performing prescription processing if the pharmacy establishes controls to protect the privacy and security of confidential records.

Definition of Telehealth

The definitions of telehealth for both Medicaid and health insurance are expanded to include automated drug dispensing systems and remote dispensing systems, which subjects the use of these systems to reimbursement for services appropriately delivered through telehealth.

Current Law:

Definition of Telehealth

For Medicaid, "telehealth" means the delivery of medically necessary somatic, dental, or behavioral health services to a patient at an originating site by a distant site provider through the use of technology-assisted communication. "Telehealth" includes synchronous and asynchronous interactions; an audio-only telephone conversation between a health care provider and a patient that results in the delivery of a billable, covered health care service; and remote patient monitoring services.

For health insurance, "telehealth" means, as it relates to the delivery of health care services, the use of interactive audio, video, or other telecommunications or electronic technology by a licensed health care provider to deliver a health care service within the scope of practice of the health care provider at a location other than the location of the patient. "Telehealth" includes an audio-only telephone conversation between a health care provider and a patient that results in the delivery of a billable, covered health care service.

Workgroup on Access to Pharmacy Services and the Impact of Telepharmacy

In 2024, the Workgroup on Access to Pharmacy Services and the Impact of Telepharmacy studied how remote dispensing and telepharmacy could expand access to pharmacy services. The workgroup submitted a March 2025 [report](#) in partnership with the University of Maryland School of Pharmacy. Major recommendations included that (1) MBOP should conduct a study on access to telepharmacy services in states with permissive telepharmacy regulations for implementation in Maryland to inform the development of regulations

governing telepharmacy in Maryland and reduce the number of pharmacy deserts and (2) telepharmacy services should be integrated into the reimbursement models of all health care plans in Maryland to increase access to pharmacy services.

Meds-to-Beds Programs

To support successful patient discharge, some hospitals have implemented “Meds-to-Beds” programs that deliver prescription medications and related counseling at the patient’s bedside. These programs aim to address challenges in acquiring medications following hospital discharge, ultimately reducing patient and caregiver distress, and enhancing medication adherence. In Maryland, such programs have been implemented at several hospitals, including the University of Maryland Medical System, the University of Maryland Charles Regional Medical Center, and Franklin Square Medical Center.

Small Business Effect: Small business pharmacies can provide reimbursable telehealth services and outsource prescription processing under the bill.

Additional Comments: Texas, Illinois, and Virginia authorize remote dispensing sites and automated kiosks with real-time pharmacist video verification to serve pharmacy deserts and facilities without on-site pharmacists. Virginia also permits pharmacies to outsource order-processing tasks to other pharmacies as long as they meet stipulated supervision, recordkeeping, and quality control requirements.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Budget and Management; Maryland Department of Health; Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - March 5, 2026
jg/ljm

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510