

# HOUSE BILL 1384

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By: **Delegate Kipke**

Introduced and read first time: February 13, 2026

Assigned to: Health

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program – State Pharmacy Benefits Manager**

3 FOR the purpose of requiring, on or before a certain date, the Maryland Department of  
4 Health to select and contract with a State pharmacy benefits manager; requiring  
5 that each managed care contract entered into or renewed after a certain date require  
6 the managed care organization to contract with and use the State pharmacy benefits  
7 manager; requiring the Department to engage an independent consultant for a  
8 certain purpose; and generally relating to a State pharmacy benefits manager for the  
9 Maryland Medical Assistance Program.

10 BY repealing and reenacting, without amendments,  
11 Article – Health – General  
12 Section 15–103(a)(1)  
13 Annotated Code of Maryland  
14 (2023 Replacement Volume and 2025 Supplement)

15 BY adding to  
16 Article – Health – General  
17 Section 15–103(g)  
18 Annotated Code of Maryland  
19 (2023 Replacement Volume and 2025 Supplement)

20 BY repealing and reenacting, without amendments,  
21 Article – Insurance  
22 Section 15–1601(a), (p), and (q)  
23 Annotated Code of Maryland  
24 (2017 Replacement Volume and 2025 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
26 That the Laws of Maryland read as follows:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



## Article – Health – General

15–103.

(a) (1) The Secretary shall administer the Maryland Medical Assistance Program.

(G) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) “PHARMACY BENEFITS MANAGER” HAS THE MEANING STATED IN § 15–1601 OF THE INSURANCE ARTICLE.

(III) “SPREAD PRICING” MEANS THE MODEL OF PRESCRIPTION DRUG PRICING IN WHICH THE PHARMACY BENEFITS MANAGER CHARGES THE PROGRAM OR A MANAGED CARE ORGANIZATION A CONTRACTED PRICE FOR A PRESCRIPTION DRUG THAT DIFFERS FROM THE AMOUNT THE PHARMACY BENEFITS MANAGER DIRECTLY OR INDIRECTLY PAYS THE PHARMACIST OR PHARMACY FOR THE PRESCRIPTION DRUG DISPENSED BY THE PHARMACIST OR PHARMACY.

(IV) “STATE PHARMACY BENEFITS MANAGER” MEANS THE PHARMACY BENEFITS MANAGER CONTRACTED BY THE DEPARTMENT UNDER THIS SECTION TO ADMINISTER PHARMACY BENEFITS FOR ALL PROGRAM RECIPIENTS IN THE STATE, INCLUDING THOSE ENROLLED IN A MANAGED CARE ORGANIZATION.

(2) (I) ON OR BEFORE JULY 1, 2028, THE DEPARTMENT SHALL SELECT AND CONTRACT WITH A SINGLE THIRD–PARTY ADMINISTRATOR TO SERVE AS THE STATE PHARMACY BENEFITS MANAGER.

(II) EACH MANAGED CARE CONTRACT THAT IS ENTERED INTO OR RENEWED BY THE DEPARTMENT ON OR AFTER JULY 1, 2028, SHALL REQUIRE THE MANAGED CARE ORGANIZATION TO CONTRACT WITH AND USE THE STATE PHARMACY BENEFITS MANAGER FOR THE PURPOSE OF ADMINISTERING ALL PHARMACY BENEFITS FOR PROGRAM RECIPIENTS ENROLLED WITH THE MANAGED CARE ORGANIZATION.

(3) THE CONTRACT ENTERED INTO UNDER PARAGRAPH (2)(I) OF THIS SECTION SHALL:

(I) ESTABLISH THE STATE PHARMACY BENEFITS MANAGER’S FIDUCIARY DUTY OWED TO THE DEPARTMENT;

(II) REQUIRE THE USE OF PASS–THROUGH PRICING;



