

# CONSUMER'S EDGE

CONSUMER PROTECTION DIVISION, MARYLAND OFFICE OF THE ATTORNEY GENERAL

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## PATIENT COPAYMENT AND COINSURANCE COSTS ARE CAPPED AT \$150 A MONTH FOR SPECIALTY DRUGS AND DRUGS THAT TREAT DIABETES, HIV, OR AIDS

*Wayne has multiple sclerosis. His health plan considers his medication a specialty drug, which at one time required a monthly copayment of 30% of a specialty drug's cost, meaning Wayne paid \$1,200 out of pocket every month for his medication.*

*A Maryland woman who is a diabetic was stunned when she learned that a three-month supply of insulin would cost \$1,200. She could not afford it, yet she couldn't go without her insulin. This time, her parents paid for her insulin. She had no idea what she would do the next time she needed insulin.*

For Wayne and others struggling to pay for certain expensive medications, Maryland law limits their copayment and coinsurance costs to no more than \$150 a month for up to a 30-day supply. If you take expensive prescription drugs to treat a chronic medical condition or a rare medical condition, find out whether Maryland law caps your costs at \$150 a month after meeting your deductible.

### Specialty Drug Price Caps

After the deductible for a Maryland-regulated plan is met, patient costs are capped at \$150 for up to a 30-day supply of a specialty drug, meaning a drug (1) prescribed to treat a complex or chronic medical condition, or a rare medical condition; (2) that costs \$600 or more for up to a 30-day supply; (3) that is not typically stocked at retail pharmacies; and (4) that requires a difficult or unusual process of delivery to the patient in the preparation, handling, storage, inventory, or distribution of the drug or enhanced patient education, management, or support beyond that required for traditional dispensing, before or after administration of the drug.

**What is considered a complex or chronic medical condition?** A complex or chronic medical condition means a physical, behavioral, or developmental condition that may have no known cure, is progressive, or can be debilitating or fatal if left untreated



or undertreated. Examples of complex or chronic medical conditions include multiple sclerosis, hepatitis C, and rheumatoid arthritis.

**What is considered a rare medical condition?** Maryland law defines a rare medical condition as a disease or condition that affects fewer than 200,000 individuals in the U.S. or approximately 1 in 1,500 individuals worldwide. Examples of rare medical conditions include cystic fibrosis, hemophilia, and multiple myeloma.

**What choice do I have about where I purchase specialty drugs subject to the cap?** Maryland's specialty drug law permits health plans and HMOs to require you to obtain your specialty drug from a specified pharmacy or other source. The law also allows patients with hepatitis C to maintain existing relationships that they may have with Federally Qualified Health Centers (FQHCs) by requiring health plans and HMOs to allow FQHCs that offer pharmaceutical services to be recognized as designated pharmacies. These patients may receive their specialty drugs directly from recognized FQHCs rather than be required to use other pharmacies chosen by a health plan or HMO. If your health plan or HMO refuses to recognize a FQHC where you receive medical care and your medications as a designated pharmacy, the Maryland Attorney General's Health Education and Advocacy Unit (HEAU) can assist you.



**What if my health plan or HMO decides my medication is not a specialty drug subject to the cap?** You may appeal the decision to the Maryland Insurance Administration (MIA). You may obtain free assistance with the appeal from the HEAU.

### **Diabetes, HIV, or AIDS Drug Price Caps**

Patient copayment and coinsurance costs are also capped at \$150 for up to a 30-day supply of a drug prescribed to treat diabetes, HIV, or AIDS. Your health plan or HMO may not require you to obtain the prescription drug from a specified pharmacy or other source.

**What if my health plan or HMO decides my medication is not subject to the cap?** You may appeal the decision to the MIA. You may obtain free assistance with the appeal from the HEAU.

**Do the caps apply to all health insurance plans?** No, the caps on copayments or coinsurance for specialty drugs and diabetes, HIV, or AIDS drugs apply only to health plans and HMOs that are regulated by the MIA. If you purchased a qualified health plan through Maryland Health Connection, then your plan is regulated by the MIA. If your employer is based in Maryland and your employer offers a fully insured health plan, then your health insurance could be regulated by the MIA. If you live in another state and your employer's headquarters are based in Maryland, then the MIA may regulate your health plan. If you have a Maryland-regulated plan, your health insurance card or the carrier website should identify which state agency regulates the plan. Your employer's human resources department can tell you if Maryland regulates your health plan. The HEAU can assist you with determining if the cap applies to your health plan and the drug you have been prescribed. Medicare and Medicaid have different rules regarding copayments and coinsurance.

**How else might I lower my out-of-pocket costs for prescription drugs?** You may have difficulty paying \$150 a month when the cap applies, or even higher copayments or coinsurance when the cap does not apply. Pharmaceutical companies provide medications for free or at discounted prices to individuals who qualify through their prescription assistance programs. Each pharmaceutical company establishes its own eligibility guidelines for its prescription assistance program, including income limits. You can apply to these prescription assistance programs with help from your doctor. Pharmaceutical companies also offer coupons, rebates, or copay cards to help lower the costs of medications for patients.

If you are enrolled in Medicare and have a limited income, you may qualify for Medicare's Extra Help program, which helps you pay for your prescription drugs. Counselors from the Maryland State Health Insurance Program (SHIP) are available to answer questions about your prescription drug benefits under Medicare and offer information about Medicare's Extra Help by phone at 410-767-1100 or 1-800-243-3425. Visit <https://www.medicare.gov/basics/costs/help/drug-costs> for more information.

Moderate-income Marylanders who are eligible for Medicare and are enrolled in a prescription drug plan may also be eligible for financial assistance through the Maryland Senior Prescription Drug Assistance Program. To learn more about the program, visit [www.marylandspdap.com](http://www.marylandspdap.com) or call 1-800-551-5995.

# HEAU

health education  
+ advocacy unit

## HOW TO CONTACT US

### Consumer Protection Division

200 St. Paul Place, 16th Fl., Baltimore, MD 21202

- **General Consumer Complaints:** 410-528-8662  
Toll-free: 1-888-743-0023 TDD: 410-576-6372  
En español: 410-230-1712  
9 a.m. to 3 p.m. Monday-Friday  
[www.marylandattorneygeneral.gov/Pages/CPD/](http://www.marylandattorneygeneral.gov/Pages/CPD/)
- **Health Consumer Complaints:** 410-528-1840  
Toll-free: 1-877-261-8807 TDD: 410-576-6372  
En español: 410-230-1712  
9 a.m. to 4:30 p.m. Monday-Friday  
[www.marylandcares.org](http://www.marylandcares.org)
- **For information on branch offices** in Largo, Salisbury, Hagerstown, and a full list of offices across Maryland, visit: [www.marylandattorneygeneral.gov/Pages/contactus.aspx](http://www.marylandattorneygeneral.gov/Pages/contactus.aspx)

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