

CONSUMER'S EDGE

CONSUMER PROTECTION DIVISION, MARYLAND OFFICE OF THE ATTORNEY GENERAL

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YOU MIGHT QUALIFY FOR LOWER OUT-OF-POCKET COSTS FOR HIGH-PRICED SPECIALTY DRUGS

Wayne has multiple sclerosis. His health plan considers his medication a specialty drug, which requires him to pay a greater share of the costs. He spends \$1200 per month on his medication since his health plan requires him to pay 30% of the specialty drug's cost. Wayne can no longer afford to pay for his medication, which he needs to help him manage his multiple sclerosis. What can he do?

Beginning in 2016, Wayne and others who are struggling to pay for expensive medications may be eligible to have their costs lowered to no more than \$150 a month for up to a 30-day supply. (This cap is subject to inflation-based increases.) To be eligible, you must: (1) have a complex or chronic medical condition, or a rare medical condition, (2) require a specialty prescription drug costing \$600 or more for up to a 30-day supply, and (3) have insurance that is regulated by the State of Maryland. The Maryland Attorney General's Health Education and Advocacy Unit (HEAU) can assist you with determining if your medical condition or your medication meets the criteria set forth by the law.



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 is considered a specialty drug? Maryland law defines a specialty drug as a drug that is prescribed for an individual with a complex or chronic medical condition, or a rare medical condition; costs \$600 or more for up to a 30-day supply; is not typically stocked at retail pharmacies; and requires a difficult or unusual process of delivery to the patient in the preparation, handling, storage, inventory or distribution of the drug or requires enhanced patient education, management, or support, beyond that required for traditional dispensing, before or after administration of the drug.

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 specific pharmacy or other source. The law also allows patients with HIV, AIDS or 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 which 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 HEAU can assist you.

Does this law apply to all health insurance plans?

No, Maryland's specialty drug law applies only to health plans and HMOs that are regulated by the Maryland Insurance Administration (MIA). The law does not apply to Medicaid, Medicare and self-insured health plans. Typically, employees of federal, state and local governments and those who work for hospitals and other large employers are covered by self-insured health plans. Your employer's human resources department can tell you if your health plan is self-insured. If you live in Maryland but another state regulates your employer-sponsored health plan, then Maryland's cap on specialty drugs costs would not apply to your health plan.

How do I know if my health plan has to follow this law?

Only health plans regulated by the Maryland Insurance Administration (MIA) must comply with the law to cap your monthly expenses for specialty drugs. 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. Your employer's human resources department can tell you if Maryland regulates your health plan. The HEAU can also assist you with determining if the law applies to your health plan and limits your out-of-pocket costs.

What if my health plan or HMO decides my medication is not a specialty drug?

You may appeal a decision by your health plan or HMO that a prescription drug is not a specialty drug with the Maryland Insurance Administration (MIA). You may obtain free assistance with the appeal from the HEAU of the Maryland Attorney General's Office. You can reach HEAU online at www.MarylandCares.org or by phone at 410-528-1840 or 1-877-261-8807. HEAU also assists consumers who have other types of coverage or billing disputes with private HMOs and health plans.

How else might I lower my out-of-pocket costs for high-priced drugs? You may be eligible for financial assistance through other programs to reduce the costs of your medication. 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 co-pay 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://medicare.gov/part-d/> for more information.

If you have reached Medicare Part D's coverage gap or "Donut Hole," you may be eligible for a financial subsidy to lower your prescription drug costs through the Maryland Senior Prescription Drug Assistance Program. To learn more about the program, visit www.marylandspdap.com or call 1-800-551-5995.

HOW TO CONTACT US

Consumer Protection Division

200 St. Paul Place, 16th Fl., Baltimore, MD 21202-2021

- **General Consumer Complaints:** 410-528-8662
Toll-free: 1-888-743-0023 TDD: 410-576-6372
9 a.m. to 3 p.m. Monday-Friday
www.marylandattorneygeneral.gov/Pages/CPD/
- **Health Consumer Complaints:** 410-528-1840
Toll-free: 1-877-261-8807 TDD: 410-576-6372
9 a.m. to 4:30 p.m. Monday-Friday
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

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