

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

Article - Health - General

15-124.1.

(a) (1) In this section the following words have the meanings indicated:

(2) "Enrollee" means an individual who is enrolled in the Maryland Pharmacy Discount Program.

(3) "Program" means the Maryland Pharmacy Discount Program established under this section.

(b) There is a Maryland Pharmacy Discount Program within the Maryland Medical Assistance Program.

(c) The purpose of the Program is to improve the health status of [Medicare beneficiaries] LOWER-INCOME INDIVIDUALS WHO ARE NOT MEDICARE BENEFICIARIES AND who lack prescription drug coverage by providing access to lower cost, medically necessary, prescription drugs.

(d) The Program shall be administered and operated by the Department as permitted by federal law or waiver.

(e) (1) The Program shall be open to [Medicare beneficiaries] INDIVIDUALS WHO ARE NOT MEDICARE BENEFICIARIES, who lack other public or private prescription drug coverage, AND WHO HAVE AN ANNUAL HOUSEHOLD INCOME BELOW 200% OF THE FEDERAL POVERTY LEVEL GUIDELINES.

(2) Notwithstanding paragraph (1) of this subsection, enrollment in the Maryland Medbank Program established under § 15-124.2 of this subtitle or the Maryland Pharmacy Assistance Program established under § 15-124 of this subtitle does not disqualify an individual from being eligible for the Program.

(f) [(1)] Subject to subsection (g) of this section, an enrollee may purchase medically necessary prescription drugs that are covered under the Maryland Medical Assistance Program from any pharmacy that participates in the Maryland Medical Assistance Program at a price that is based on the price paid by the Maryland Medical Assistance Program, minus the aggregate value of any federally mandated manufacturers' rebates AND ANY STATE CONTRIBUTION AMOUNT.

[(2) Subject to subsection (g) of this section, and to the extent authorized under federal waiver, an enrollee whose annual household income is at or below 175 percent of the federal poverty guidelines may receive a discount subsidized by the Department that is equal to 35 percent of the price paid by the Maryland Medical Assistance Program for each medically necessary prescription drug purchased under the Program.]

(g) The Department may establish mechanisms to:

(1) Recover the administrative costs of the Program;