

THE BEACON

Exclusive Compliance Alerts from MZQ Consulting

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MARYLAND INSURANCE ADMINISTRATION ISSUES EMERGENCY RULES IN RESPONSE TO CORONAVIRUS

Prescription Refill Rule

On March 5, 2020, Maryland Governor Larry Hogan proclaimed a State of Emergency in Maryland in response to the Coronavirus (COVID-19). Thereafter, on March 6, the Maryland Insurance Administration (MIA) issued emergency regulations requiring all insurers in the State to immediately:

“waive any time restrictions on prescription medication refills and authorize payment to pharmacies for at least a 30-day supply of any prescription medication, regardless of the date upon which the prescription medication had most recently been filled by a pharmacist.”

This rule does NOT require co-payments and deductibles to be waived on these prescriptions. The purpose of this change is to allow individuals to obtain medications in advance of any quarantine.

Notably, the MIA does not have regulatory authority with respect to self-funded plans. As a result, this change is not legally required to be applied to self-funded plans. We do, however, anticipate that third party administrator's operating in the State may automatically implement or proactively reach out to plan sponsors for direction on this point.

Forthcoming Emergency Regulations

The MIA Bulletin announcing the new prescription rules also states that additional emergency regulations are also forthcoming. Specifically, these rules will:

- Waive any cost-sharing, including copays, coinsurance and deductibles for:
 - Any visit to diagnose or test for COVID-19 regardless of where that care is received (for example emergency rooms, urgent care centers or physician's office);
 - Lab fees to diagnose or test for COVID-19; and
 - Vaccinations for COVID-19.
- Pay for “experimental” treatments of COVID-19;
- Only consider whether testing for COVID-19 is medically necessary or appropriate in determining if coverage will be provided for such testing performed out-of-network;
- Limit prior authorization requirements with respect to testing for COVID-19 to requirements based on the medical necessity of that testing; and
- Expedite the adjudication of any appeals related to the coverage of diagnostic treatment for COVID-19.



While the regulations described above have not yet been issued, the MIA asks that carriers work to implement these concepts-particularly the cost-sharing waivers as soon as possible.

Additional “Requests”

The MIA also specifically requests that carriers help address the COVID-19 emergency in several ways. First, they’ve requested that carriers activate their education and outreach programs to help inform the public about the coverage available for the prevention, diagnosis and treatment of COVID-19. They are also requesting that carriers review their provider panels to ensure that members have reasonable access to providers with the expertise to treat severe cases of COVID-19. On this point, the MIA further requests that carriers work with any such out-of-network providers in an effort to avoid balance billing. Finally, the MIA asks that carriers encourage the use of telehealth, as appropriate.

More to Come

Maryland’s action comes just days after New York Governor Andrew Cuomo issued a directive through the State Department of Financial Services requiring New York health insurers to waive any cost-sharing related to testing for COVID-19, including emergency room, urgent care and office visits. We fully expect other states to follow New York and Maryland’s lead on these rule changes.

So long as only the States are acting, self-funded plan sponsors will have the discretion to determine if they wish to take similar steps.

However, if the federal government issues similar imperatives, they will be binding on self-funded plans as well.

Our team at MZQ Consulting continues to closely monitor these issues and will provide updates as the situation evolves.

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