

MedChi

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TO: The Honorable Paul G. Pinsky, Senate Chair
Senate Members, AELR Committee
The Honorable Anne Healey, House Chair
House Members, AELR Committee

FROM: Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise

DATE: February 8, 2012

RE: **OPPOSE** – Worker’s Comp Prescription Drug Schedule Regulations

MedChi, The Maryland State Medical Society represents over 7,600 Maryland physicians and is adamantly opposed to the proposed regulation of the Workers’ Compensation Commission (Commission).

This is the second iteration of this regulation by the Commission. However, the essential focus of this regulation is the same as the first withdrawn regulation. Specifically, the Commission is targeting physician dispensers of pharmaceuticals and proposing a fee schedule – which the Commission must know – will effectively end the practice of physician dispensing medications from their offices to insured workers. While the Commission may maintain publically that it is not its intent to harm physician dispensing, such a position is belied by the Regulation itself. The reason is that the proposed “fee schedule” compensates a physician dispenser at rates that are less than the physician can purchase the drugs in questions.

Moreover, MedChi wonders why such a draconian regulation is necessary in a state whose Workers’ Compensation costs are under control as Maryland has consistently ranked in the lowest 10 states in terms of Workers’ Compensation costs.

Moreover, the Commission’s own report on which it relies indicates that physician dispensing (as opposed to pharmacy dispensing) results in a significant savings on a “per

claim” basis in the Maryland compensation system (Tab 1 and 3). Not only does doctor dispensing save the system money, but it is good medicine for the injured worker and returns that worker to productivity in the shortest possible time.

Doctors may charge more on a “per pill” basis since it costs them more to purchase each pill than the price point by national chain pharmacies. However, the Commission’s own report indicates that doctor dispensing saves Maryland’s employers money. This is a wrongheaded regulation and should be withdrawn.

For more information call:

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