

House File 834 - Introduced

HOUSE FILE _____
BY SWAIM

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to reimbursement for prescription drug expenses
2 by certain providers of health benefit coverage.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2590HH 82
5 av/je/5

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1 1 Section 1. NEW SECTION. 514C.23 PRESCRIPTION DRUG
1 2 REIMBURSEMENT.
1 3 1. A provider of third-party payment or prepayment of
1 4 prescription drug expenses that reimburses covered individuals
1 5 or pharmacies for prescription drug expenses of a covered
1 6 individual pursuant to a health benefit coverage policy,
1 7 contract, or plan shall provide reimbursement to the covered
1 8 individual or pharmacy not more than two weeks after receiving
1 9 a claim for reimbursement.
1 10 2. This section shall not apply to prescription drug
1 11 coverage provided through or in conjunction with any of the
1 12 following:
1 13 a. Accident-only or disability income insurance coverage.
1 14 b. Hospital confinement indemnity coverage.
1 15 c. Coverage issued as a supplement to liability insurance.
1 16 d. Basic hospital and medical=surgical expense coverage.
1 17 e. Liability insurance, including general liability
1 18 insurance and automobile liability insurance.
1 19 f. Workers' compensation or similar insurance.
1 20 g. Automobile medical payment insurance.
1 21 h. Credit only insurance.
1 22 i. Coverage for on=site medical clinic care.
1 23 j. Dental or vision coverage.
1 24 k. Benefits for long=term care, nursing home care, or
1 25 community=based care.
1 26 l. Short=term hospital, medical, or major medical
1 27 coverage.
1 28 m. Medicare supplemental as defined pursuant to 42 U.S.C.
1 29 } 1395ss(g)(1), coverage supplemental to the coverage provided
1 30 under 10 U.S.C. } 1071=1109, and similar coverage that is
1 31 supplemental to coverage under group health insurance coverage
1 32 as defined by the commissioner of insurance.
1 33 n. Any other similar limited benefits as defined by the
1 34 commissioner of insurance.
1 35 3. As used in this section, unless the context otherwise
2 1 requires:
2 2 a. "Prescription drug" means prescription drug as defined
2 3 in section 155A.3 and includes a device as defined in section
2 4 155A.3.
2 5 b. "Provider of third-party payment or prepayment of
2 6 prescription drug expenses" or "provider" means a provider of
2 7 an individual or group policy of accident or health insurance
2 8 or an individual or group hospital or health care service
2 9 contract issued pursuant to chapter 509, 514, or 514A, a
2 10 provider of a plan established pursuant to chapter 509A for
2 11 public employees, a provider of an individual or group health
2 12 maintenance organization contract issued and regulated under
2 13 chapter 514B, a provider of an organized delivery system
2 14 contract regulated under rules adopted by the director of
2 15 public health, a provider of a preferred provider contract
2 16 issued pursuant to chapter 514F, a provider of a self=insured
2 17 multiple employer welfare arrangement, and any other entity
2 18 providing health insurance or health benefits which provide
2 19 for payment or prepayment of prescription drug expenses
2 20 coverage subject to state insurance regulation.

2 21

EXPLANATION

2 22 This bill provides that certain providers of third-party
2 23 payment or prepayment of prescription drug expenses that
2 24 reimburse covered individuals or pharmacies for prescription
2 25 drug expenses pursuant to certain health benefit coverage
2 26 policies, contracts, or plans are required to provide such
2 27 reimbursement to the covered individual or pharmacy not more
2 28 than two weeks after receiving a claim for reimbursement.

2 29 LSB 2590HH 82

2 30 av:nh/je/5