

**514C.5 Prescription drug benefit restrictions.**

1. A group policy or contract providing for third-party payment or prepayment for prescription drugs shall not require a person covered under the policy or contract to obtain prescription drugs from a mail order pharmacy as a condition of obtaining benefits for prescription drugs if the pharmacy selected by the covered person agrees to provide pharmaceutical services under the same terms and conditions as those provided by the mail order pharmacy.

2. Group third-party payor policies or contracts delivered, issued for delivery, continued, or renewed in this state on or after July 1, 1990, are subject to [this section](#), including but not limited to the following classes:

- a. A group accident and sickness insurance policy.
- b. A group hospital or medical service contract.
- c. A group health maintenance organization contract.
- d. A group Medicare supplemental policy.

[90 Acts, ch 1130, §1](#)