

FEB 15 1990

HOUSE FILE 2436

BY COMMITTEE ON HUMAN RESOURCES

Place On Calendar

(SUCCESSOR TO HSB 691)

Substituted for S.F. 2258

Passed House, Date 2/20/90 (p. 484) Passed Senate, Date 3/23/90 (p. 1280)

Vote: Ayes 92 Nays 0 Vote: Ayes 42 Nays 1

Approved April 3, 1990

A BILL FOR

1 An Act restricting the conditions under which a third-party payor
2 of medical benefits may limit coverage for prescription drugs.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2436

1 Section 1. NEW SECTION. 514C.5 PRESCRIPTION DRUG BENEFIT
2 RESTRICTIONS.

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

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

- 15 a. A group accident and sickness insurance policy.
- 16 b. A group hospital or medical service contract.
- 17 c. A group health maintenance organization contract.
- 18 d. A group medicare supplemental policy.

19 EXPLANATION

20 This bill prohibits group insurance policies, or other
21 third-party payor contracts, from conditioning prescription
22 drug benefits upon obtaining prescription drugs through a mail
23 order pharmacy if other pharmacies are willing to provide
24 pharmaceutical services under the same terms and conditions as
25 those provided by the mail order pharmacy.

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HUMAN RESOURCES

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HOUSE FILE 2436
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL
BY CHAIRPERSON FEY)

Health Care
Fey, Chair
Hammond
Haverland
Nielsen

Plasier
Carpenter
Hester

Passed House, Date _____

Passed Senate, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

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- d. A group medicare supplemental policy.

HOUSE FILE 2436

AN ACT

RESTRICTING THE CONDITIONS UNDER WHICH A THIRD-PARTY PAYOR OF
MEDICAL BENEFITS MAY LIMIT COVERAGE FOR PRESCRIPTION DRUGS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 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
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prescription drugs from a mail order pharmacy as a condition
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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.

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 2436, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved April 3, 1990

TERRY E. BRANSTAD
Governor

HF 2436