

FEB 20 1997

COMMERCE AND REGULATION

HOUSE FILE 310

BY OSTERHAUS

Passed House, Date _____

Passed Senate, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act providing for direct reimbursement of pharmacists by
2 certain third-party payors of health care coverage costs.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HT 318

1 Section 1. NEW SECTION. 514C.5A PRESCRIPTION DRUGS
2 BENEFITS -- REIMBURSEMENT.

3 1. a. Except as provided in paragraph "b", a policy or
4 contract providing for third-party payment or prepayment for
5 pharmaceutical services shall provide for the direct
6 reimbursement of a licensed pharmacist or licensed pharmacy
7 providing covered pharmaceutical services.

8 b. A policy or contract providing for third-party payment
9 or prepayment for pharmaceutical services shall provide for
10 the direct reimbursement of the department of human services
11 for covered pharmaceutical services provided to persons
12 eligible to receive medical assistance under chapter 249A.

13 2. This section applies to the following classes of third-
14 party payor contracts or policies delivered, issued for
15 delivery, continued, or renewed in this state on or after July
16 1, 1997:

17 a. Individual or group accident and sickness insurance
18 providing coverage on an expense-incurred basis.

19 b. An individual or group hospital or medical service
20 contract issued pursuant to chapter 509, 514, or 514A.

21 c. An individual or group health maintenance organization
22 contract regulated under chapter 514B.

23 d. An individual or group Medicare supplemental policy,
24 unless coverage pursuant to such policy is preempted by
25 federal law.

26 e. An organized delivery system licensed by the director
27 of public health.

28 f. Any other entity engaged in the business of insurance,
29 risk transfer, or risk retention, which is subject to the
30 jurisdiction of the commissioner.

31 EXPLANATION

32 This bill provides that an individual or group policy or
33 contract providing for third-party payment or prepayment for
34 pharmaceutical services shall provide for the direct
35 reimbursement of a licensed pharmacist or licensed pharmacy

1 providing covered pharmaceutical services.

2 The bill also provides that such third-party payor provide
3 for the direct reimbursement of the department of human
4 services for covered pharmaceutical services provided to
5 persons eligible to receive medical assistance under chapter
6 249A.

7 The bill applies to the third-party payor contracts or
8 policies delivered, issued for delivery, continued, or renewed
9 in this state on or after July 1, 1997, including an
10 individual or group hospital or medical service contract
11 issued pursuant to chapter 509, 514, or 514A; an individual or
12 group health maintenance organization contract regulated under
13 chapter 514B; an individual or group Medicare supplemental
14 policy, unless coverage pursuant to such policy is preempted
15 by federal law; an organized delivery system licensed by the
16 director of public health; and any other entity engaged in the
17 business of insurance, risk transfer, or risk retention, which
18 is subject to the jurisdiction of the commissioner.

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