

**Senate File 2261 - Introduced**

SENATE FILE 2261  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 2078)

**A BILL FOR**

1 An Act relating to and providing insurance coverage for  
2 medication synchronization.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 514C.5A Prescription drug  
2 medication synchronization.

3 1. A group policy or contract providing for third-party  
4 payment or prepayment for prescription drugs shall permit and  
5 apply a prorated daily cost-sharing rate to prescription drugs  
6 that are dispensed for less than a thirty-day supply, for  
7 the purposes of synchronizing the medications of the person  
8 covered under the policy or contract, if the prescriber or  
9 pharmacist determines the prorated filling or refilling of the  
10 prescription drug to be in the best interest of the person and  
11 the person requests or agrees to less than a thirty-day supply.  
12 However, the group policy or contract shall not use payment  
13 structures incorporating pro rata dispensing fees, and the  
14 dispensing fee for partially filled or refilled prescriptions  
15 shall be paid based on the full supply of each prescription  
16 dispensed, regardless of any prorated copayment paid by the  
17 covered person for synchronization of medications.

18 2. A group policy or contract providing for third-party  
19 payment or prepayment for prescription drugs shall not deny  
20 coverage for the dispensing of multiple prescriptions at one  
21 time for the purposes of synchronizing medications for a  
22 covered person under the policy or contract, if the person  
23 and the pharmacist or other prescriber agree to synchronizing  
24 the filling or refilling of multiple prescriptions for the  
25 person. The group policy or contract shall allow a pharmacy  
26 to override any denial codes indicating that a prescription  
27 drug is being refilled too soon for the purposes of medication  
28 synchronization.

29 3. A person who provides an individual policy or contract  
30 providing for third-party payment or prepayment of health or  
31 medical expenses shall make available a coverage provision  
32 that satisfies the requirements of this section in the same  
33 manner as such requirements are applicable to a group policy  
34 or contract under this section. The policy or contract  
35 shall provide that the individual policyholder may reject the

1 coverage provision at the option of the policyholder.

2 4. a. This section applies to the following classes of  
3 third-party payment provider contracts or policies delivered,  
4 issued for delivery, continued, or renewed in this state on or  
5 after January 1, 2017:

6 (1) Individual or group accident and sickness insurance  
7 providing coverage on an expense-incurred basis.

8 (2) An individual or group hospital or medical service  
9 contract issued pursuant to chapter 509, 514, or 514A.

10 (3) An individual or group health maintenance organization  
11 contract regulated under chapter 514B.

12 (4) Any other entity engaged in the business of insurance,  
13 risk transfer, or risk retention, which is subject to the  
14 jurisdiction of the commissioner.

15 (5) A plan established pursuant to chapter 509A for public  
16 employees.

17 (6) An organized delivery system licensed by the director  
18 of public health.

19 b. This section shall not apply to accident-only,  
20 specified disease, short-term hospital or medical, hospital  
21 confinement indemnity, credit, dental, vision, Medicare  
22 supplement, long-term care, basic hospital and medical-surgical  
23 expense coverage as defined by the commissioner, disability  
24 income insurance coverage, coverage issued as a supplement  
25 to liability insurance, workers' compensation or similar  
26 insurance, or automobile medical payment insurance.

27

EXPLANATION

28 The inclusion of this explanation does not constitute agreement with  
29 the explanation's substance by the members of the general assembly.

30 This bill relates to insurance coverage for prescription  
31 drugs dispensed in a manner to facilitate medication  
32 synchronization. The bill requires that a group policy or  
33 contract providing for third-party payment or prepayment for  
34 prescription drugs apply a prorated daily cost-sharing rate to  
35 prescription drugs that are dispensed for less than a 30-day

1 supply, for the purposes of synchronizing the medications  
2 of the person covered under the policy or contract, if the  
3 prescriber or pharmacist determines the prorated filling or  
4 refilling of the prescription drug to be in the best interest  
5 of the person and the person requests or agrees to less than  
6 a 30-day supply. However, the group policy or contract shall  
7 not use payment structures incorporating pro rata dispensing  
8 fees, and the dispensing fee for partially filled or refilled  
9 prescriptions shall be paid based on the full supply of each  
10 prescription dispensed, regardless of any prorated copayment  
11 paid by the covered person for synchronization of medications.

12 The bill also prohibits a group policy or contract providing  
13 for third-party payment or prepayment for prescription  
14 drugs from denying coverage for the dispensing of multiple  
15 prescriptions at one time for the purposes of synchronizing  
16 medications for a covered person under the policy or contract,  
17 if the person and the pharmacist or other prescriber agree  
18 to synchronizing the filling or refilling of multiple  
19 prescriptions for the person. The group policy or contract  
20 is required to allow a pharmacy to override any denial codes  
21 indicating that a prescription drug is being refilled too soon  
22 for the purposes of medication synchronization.

23 The bill requires a person who provides an individual policy  
24 or contract providing for third-party payment or prepayment  
25 of health or medical expenses to make available a coverage  
26 provision that satisfies the requirements of the bill in the  
27 same manner as such requirements are applicable to a group  
28 policy or contract. The policy or contract shall provide that  
29 the individual policyholder may reject the coverage provision  
30 at the option of the policyholder.

31 The bill specifies the classes of third-party payment  
32 provider contracts or policies delivered, issued for delivery,  
33 continued, or renewed in this state on or after January 1,  
34 2017, to which the bill applies or does not apply.