

**House Study Bill 238 - Introduced**

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
HUMAN RESOURCES BILL BY  
CHAIRPERSON LUNDGREN)

**A BILL FOR**

1 An Act relating to the dispensing fee for partially dispensed  
2 prescriptions.

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

1 Section 1. MEDICAID PROGRAM — DISPENSING FEE FOR  
2 PRESCRIPTIONS DISPENSED IN PARTIAL QUANTITIES. The department  
3 of human services shall adopt rules pursuant to chapter 17A to  
4 require that if a Medicaid provider, under both fee-for-service  
5 and managed care program administration, who is authorized  
6 to dispense prescription drugs pursuant to chapter 155A,  
7 initially dispenses a partial quantity of a prescription drug  
8 authorized by a prescription, and subsequently dispenses the  
9 remaining quantity as authorized by the prescription, the total  
10 dispensing fee charged by the provider for that prescription  
11 shall not exceed the standard dispensing fee applicable to the  
12 same prescription as if the total quantity authorized had been  
13 dispensed at one time. This provision shall apply whether the  
14 partial dispensing of a quantity authorized by a prescription  
15 is due to a policy of the authorized dispenser, a supply  
16 deficit, or for any other reason.

17 Sec. 2. NEW SECTION. 155A.38A Prescriptions dispensed in  
18 partial quantities — limitation on dispensing fee.

19 If a person authorized pursuant to this chapter to dispense  
20 prescription drugs, initially dispenses a partial quantity  
21 of a prescription drug authorized by a prescription, and  
22 subsequently dispenses the remaining quantity as authorized  
23 by the prescription, the total dispensing fee charged for  
24 that prescription shall not exceed the standard dispensing  
25 fee applicable to the same prescription as if the total  
26 quantity authorized had been dispensed at one time. This  
27 provision shall apply whether the partial dispensing of a  
28 quantity authorized by a prescription is due to a policy of  
29 the authorized dispenser, a supply deficit, or for any other  
30 reason.

31 Sec. 3. NEW SECTION. 514C.35 Dispensing fee for  
32 prescription dispensed in partial quantity.

33 1. Third-party payment provider contracts or policies  
34 delivered, issued for delivery, continued, or renewed in  
35 this state on or after January 1, 2020, that provide for

1 third-party payment or prepayment of health or medical expenses  
2 shall provide that if a person authorized pursuant to chapter  
3 155A to dispense, initially dispenses a partial quantity  
4 of a prescription drug authorized by a prescription, and  
5 subsequently dispenses the remaining quantity as authorized  
6 by a prescription, the total dispensing fee charged for  
7 that prescription shall not exceed the standard dispensing  
8 fee applicable to the same prescription as if the total  
9 quantity authorized had been dispensed at one time. This  
10 provision shall apply whether the partial dispensing of a  
11 quantity authorized by a prescription is due to a policy of  
12 the authorized dispenser, a supply deficit, or for any other  
13 reason.

14 2. For the purposes of this section, "*third-party payment*  
15 *provider contracts or policies*" includes:

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

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

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

22 d. Any other entity engaged in the business of insurance,  
23 risk transfer, or risk retention, which is subject to the  
24 jurisdiction of the commissioner.

25 e. A plan established pursuant to chapter 509A for public  
26 employees.

27 3. This section shall not apply to accident-only,  
28 specified disease, short-term hospital or medical, hospital  
29 confinement indemnity, credit, dental, vision, Medicare  
30 supplement, long-term care, basic hospital and medical-surgical  
31 expense coverage as defined by the commissioner, disability  
32 income insurance coverage, coverage issued as a supplement  
33 to liability insurance, workers' compensation or similar  
34 insurance, or automobile medical payment insurance.

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EXPLANATION

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

3       This bill relates to the dispensing fee for partially  
4 dispensed prescriptions.

5       The bill requires the department of human services to adopt  
6 administrative rules to require that if a Medicaid provider  
7 who is authorized to dispense prescription drugs pursuant to  
8 Code chapter 155A (pharmacy) initially dispenses a partial  
9 quantity of a prescription drug authorized by a prescription,  
10 and subsequently dispenses the remaining quantity as authorized  
11 by the prescription, the total dispensing fee charged by the  
12 provider for that prescription shall not exceed the standard  
13 dispensing fee applicable to the same prescription as if the  
14 total quantity authorized had been dispensed at one time.  
15 The provision applies whether the partial dispensing of a  
16 quantity authorized by a prescription is due to a policy  
17 of the authorized dispenser, a supply deficit, or for any  
18 other reason. The bill also requires this provision for an  
19 authorized dispenser under Code chapter 155A (pharmacy) and  
20 under third-party payment provider contracts or policies  
21 delivered, issued for delivery, continued, or renewed in this  
22 state on or after January 1, 2020.