

House Study Bill 582 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON LUNDGREN)

A BILL FOR

1 An Act relating to dispensing fees and copayments for partially
2 dispensed quantities of prescription drugs.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 155A.38A Prescriptions dispensed
2 in partial quantities — limitation on dispensing fee and
3 copayments.

4 1. If a person authorized pursuant to this chapter to
5 dispense prescription drugs initially dispenses a partial
6 quantity of a thirty-day supply of a prescription drug and
7 subsequently dispenses the remaining quantity as authorized by
8 the prescription within thirty days of the initial dispensing,
9 all of the following shall apply:

10 a. The cumulative dispensing fee applicable to all partially
11 dispensed quantities of the prescription drug shall not exceed
12 the established dispensing fee applicable as if the total
13 quantity prescribed had been dispensed at one time.

14 b. The cumulative copayment required for all partially
15 dispensed quantities of the prescription drug shall not exceed
16 the established copayment applicable as if the total quantity
17 prescribed had been dispensed at one time.

18 2. This section shall apply whether the partial dispensing
19 of a quantity authorized by a prescription is due to a policy
20 of the authorized dispenser, a requirement of the third-party
21 payment provider contract or policy, a supply deficit, or for
22 any other reason.

23 Sec. 2. NEW SECTION. 514C.35 Prescriptions dispensed
24 in partial quantities — limitation on dispensing fee and
25 copayments.

26 1. Third-party payment provider contracts or policies
27 delivered, issued for delivery, continued, or renewed in this
28 state on or after January 1, 2021, that provide for third-party
29 payment or prepayment of health or medical expenses shall
30 provide that if a person authorized pursuant to chapter 155A to
31 dispense initially dispenses a partial quantity of a thirty-day
32 supply of a prescription drug and subsequently dispenses the
33 remaining quantity as authorized by the prescription within
34 thirty days of the initial dispensing, all of the following
35 shall apply:

1 *a.* The cumulative dispensing fee applicable to all partially
2 dispensed quantities of the prescription drug shall not exceed
3 the established dispensing fee applicable as if the total
4 quantity prescribed had been dispensed at one time.

5 *b.* The cumulative copayment required for all partially
6 dispensed quantities of the prescription drug shall not exceed
7 the established copayment applicable as if the total quantity
8 prescribed had been dispensed at one time.

9 2. This section shall apply whether the partial dispensing
10 of a quantity authorized by a prescription is due to a policy
11 of the authorized dispenser, a requirement of the third-party
12 payment provider contract or policy, a supply deficit, or for
13 any other reason.

14 3. 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 4. *a.* 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.

35 *b.* This section shall not apply to the medical assistance

1 program pursuant to chapter 249A, including to a managed care
2 organization acting pursuant to a contract with the department
3 of human services to provide coverage to medical assistance
4 program members, or to the hawk-i program pursuant to chapter
5 514I.

6 Sec. 3. MEDICAID PROGRAM — DISPENSING FEE AND COPAYMENTS
7 FOR PRESCRIPTIONS DISPENSED IN PARTIAL QUANTITIES.

8 1. The department of human services shall adopt rules
9 pursuant to chapter 17A to require that if a Medicaid
10 provider, under both fee-for-service and managed care program
11 administration, who is authorized to dispense prescription
12 drugs pursuant to chapter 155A, initially dispenses a partial
13 quantity of a thirty-day supply of a prescription drug and
14 subsequently dispenses the remaining quantity as authorized by
15 the prescription, all of the following shall apply:

16 a. The cumulative dispensing fee applicable to all
17 partially dispensed quantities of the prescription drug shall
18 not exceed the established dispensing fee applicable as if the
19 total quantity prescribed had been dispensed at one time.

20 b. The cumulative copayment required for all partially
21 dispensed quantities of the prescription drug shall not exceed
22 the established copayment applicable as if the total quantity
23 prescribed had been dispensed at one time.

24 2. This section shall apply whether the partial dispensing
25 of a quantity authorized by a prescription is due to a policy
26 of the authorized dispenser, a requirement of a managed care
27 organization or third-party payment provider contract or
28 policy, a supply deficit, or for any other reason.

29

EXPLANATION

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

32 This bill relates to the dispensing of prescription drugs in
33 partial quantities.

34 The bill provides that if a person authorized to dispense
35 prescription drugs under Code chapter 155A initially dispenses

1 a partial quantity of a 30-day supply of a prescription
2 drug and subsequently dispenses the remaining quantity as
3 authorized by the prescription within 30 days of the initial
4 dispensing, the cumulative dispensing fee applicable to
5 all partially dispensed quantities of the prescription drug
6 shall not exceed the established dispensing fee applicable
7 as if the total quantity prescribed had been dispensed at
8 one time, and the cumulative copayment required for all
9 partially dispensed quantities of the prescription drug shall
10 not exceed the established copayment applicable as if the
11 total quantity prescribed had been dispensed at one time.
12 These requirements apply whether the partial dispensing of a
13 quantity authorized by a prescription is due to a policy of the
14 authorized dispenser, a requirement of the third-party payment
15 provider contract or policy, a supply deficit, or for any other
16 reason. The bill directs the department of human services to
17 adopt administrative rules to require Medicaid providers to
18 comply with these provisions, whether the partial dispensing
19 of the quantity authorized by the prescription is due to a
20 policy of the authorized dispenser, a requirement of a managed
21 care organization or third-party payment provider contract
22 or policy, a supply deficit, or for any other reason. The
23 requirement applies under both fee-for-service and managed care
24 program administration of Medicaid.

25 Similarly, the bill provides that any third-party payment
26 provider contracts or policies delivered, issued for delivery,
27 continued, or renewed in this state on or after January 1,
28 2021, that provide for third-party payment or prepayment
29 of health or medical expenses shall provide that if a
30 person authorized pursuant to Code chapter 155A to dispense
31 initially dispenses a partial quantity of a 30-day supply of
32 a prescription drug and subsequently dispenses the remaining
33 quantity as authorized by the prescription within 30 days
34 of the initial dispensing, the cumulative dispensing fee
35 applicable to all partially dispensed quantities of the

1 prescription drug shall not exceed the established dispensing
2 fee applicable as if the total quantity prescribed had been
3 dispensed at one time, and the cumulative copayment required
4 for all partially dispensed quantities of the prescription drug
5 shall not exceed the established copayment applicable as if
6 the total quantity prescribed had been dispensed at one time.
7 The provision applies whether the partial dispensing of a
8 quantity authorized by a prescription is due to a policy of the
9 authorized dispenser, a requirement of the third-party payment
10 provider contract or policy, a supply deficit, or for any other
11 reason.