

HOUSE BILL REPORT

HB 1508

As Reported By House Committee On:
Financial Institutions & Insurance

Title: An act relating to prescription claims insurance coverage.

Brief Description: Regulating prescription claims for insurance coverage that were initially approved over the telephone or by other means.

Sponsors: Representatives Zellinsky and Pruitt.

Brief History:

Reported by House Committee on:
Financial Institutions & Insurance, February 15, 1993,
DPS.

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Zellinsky, Chair; Scott, Vice Chair; Dyer, Assistant Ranking Minority Member; Anderson; Dellwo; Dorn; Grant; R. Johnson; Kessler; Kremen; Lemmon; R. Meyers; Reams; Schmidt; and Tate.

Staff: John Conniff (786-7119).

Background: Disability insurance companies, health care service contractors, and health maintenance organizations (HMOs) issue policies or contracts that include coverage for prescription drugs. Many companies, contractors, and HMOs require approval before a prescription may be filled for certain kinds of drugs. When such prior approval is required but not obtained by the consumer, the company, contractor, or HMO may deny coverage of the drug.

Summary of Substitute Bill: Authorized representatives of disability insurance companies, health care service contractors, and HMOs who initially approve an individual prescription claim, however such approval is indicated, cannot later deny the claim.

Pharmacists and drug dispensing outlets who obtain preapproval of a prescription claim must maintain a record of such approval.

Substitute Bill Compared to Original Bill: Technical corrections are made and individuals are relieved of responsibility for maintaining record of approval.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: Insurers should not be permitted to deny a claim for a prescription after the dispenser calls and confirms coverage of the prescription.

Testimony Against: None.

Witnesses: Chris Whitley, Food Pavilion Pharmacy (Pro); and Gordon Walgren, Washington Pharmacy Association (Pro).