

2 **SHB 2018 - H AMD TO H AMD (H-2836.2/97) 349 FAILED 3-18-97**
3 By Representative Conway

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5 On page 49, after line 37 of the amendment, insert the following:

6 NEW SECTION. **Sec. 401.** The legislature intends that health care
7 insurers have open pharmacy networks. Insurers must offer contractual
8 agreements to all pharmacies willing to meet applicable terms and
9 conditions of the policy contract. Insurers may not impose upon a
10 beneficiary a copay, deductible, coinsurance, or prescription quantity
11 limit that is not imposed upon all beneficiaries in the plan. Pharmacy
12 services are known to be a necessary component in the overall health
13 care system. Therefore, the legislature intends to promote access to
14 ensure the citizens of Washington state can easily obtain their
15 pharmacy services.

16 NEW SECTION. **Sec. 402.** Every health plan delivered, issued for
17 delivery, or renewed by a health carrier on and after January 1, 1998,
18 that provides for payment of all or a portion of prescription costs, or
19 reimbursement of prescription costs, must:

20 (1) Not limit the purchase of prescription medicines to specific
21 pharmacies;

22 (2) Not discriminate between different providers of pharmacy
23 services by requiring the payment of different copayments, coinsurance
24 levels, deductibles, or prescription quantity limits by the covered
25 pharmacy patient depending on the identity or nature of the provider of
26 pharmacy services;

27 (3) Not prohibit a qualified provider of pharmacy services from
28 becoming a provider under the policy if the applicant pharmacy
29 indicates a desire to be recognized as a provider and meets all the
30 applicable terms and conditions of the policy contract; and

31 (4) Offer a provider of pharmacy services the same terms and
32 conditions.

33 NEW SECTION. **Sec. 403.** Section 402 of this act does not apply to:

1 (1) A provider of pharmacy services if that provider cannot or will
2 not meet all of the applicable terms and conditions of the policy
3 contract; or

4 (2) A health maintenance organization that provides pharmaceutical
5 services through pharmacists it employs at pharmacies it owns. A
6 health maintenance organization is exempt in geographic areas in which
7 it owns the pharmacy or pharmacies, but is not exempt in other
8 geographic areas in which the health maintenance organization does not
9 provide pharmacy services through its own pharmacy and employees.

10 NEW SECTION. Sec. 404. (1) A health carrier, as defined in this
11 chapter, who violates section 402 of this act or a rule adopted under
12 that section may be subject to a penalty of not less than one thousand
13 dollars nor more than fifty thousand dollars for each violation,
14 payable to the health services account.

15 (2) A person may bring action against a carrier to recover damages
16 suffered as the result of a violation of section 402 of this act or a
17 rule adopted under that section. Proof of a violation constitutes
18 prima facie evidence of damages.

19 NEW SECTION. Sec. 405. Sections 402 through 404 of this act are
20 each added to chapter 48.43 RCW."

21 Renumber the remaining sections consecutively and correct internal
22 references accordingly.

23 EFFECT: Effective January 1, 1998, requires that every health plan
24 that includes drug coverage must:

25 Not limit the purchase of drugs to specific pharmacies;

26 Not discriminate between different providers of pharmacy services
27 by requiring the payment of different copayments, coinsurance levels,
28 deductibles, or prescription quantity limits by the covered pharmacy
29 patient depending on the identity or nature of the provider of pharmacy
30 services;

31 Not prohibit a qualified provider of pharmacy services from
32 becoming a provider under the policy if the applicant pharmacy
33 indicates a desire to be recognized as a provider and meets all the
34 applicable terms and conditions of the policy contract; and

35 Offer a provider of pharmacy services the same terms and
36 conditions.

37 Provisions do not apply to a provider of pharmacy services if that
38 provider cannot or will not meet all of the applicable terms and
39 conditions of the policy contract; or a health maintenance organization

1 that provides pharmaceutical services through pharmacists it employs at
2 pharmacies it owns. A health maintenance organization is exempt in
3 geographic areas in which it owns the pharmacy or pharmacies, but is
4 not exempt in other geographic areas in which the health maintenance
5 organization does not provide pharmacy services through its own
6 pharmacy and employees.

7 A carrier that violates may be subject to a penalty of not less
8 than \$1,000 or more than \$50,000 for each violation, payable to the
9 health services account.

10 A person may bring action against a carrier to recover damages
11 suffered as the result of a violation of these provisions. Proof of a
12 violation constitutes prima facie evidence of damages.

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