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BILL ANALYSIS

Health Care Committee

ESSB 5566

Brief Description: Requiring uniform prescription drug information cards.

Sponsors: By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Franklin, Deccio and Kohl-Welles).

Brief Summary of Engrossed Substitute Bill

- · Health benefit plans that issue prescription drug information cards to beneficiaries for filling prescriptions by pharmacists are required to use uniform prescription drug information.
- The state Insurance Commissioner must implement this requirement, and may adopt rules as necessary taking into consideration relevant standards developed by the National Council for Prescription Drug Programs and requirements of the federal Health Insurance Portability and Accountability Act of 1996.

Hearing Date: 3/29/01

Staff: John Welsh (786-7133).

Background:

There is no uniform prescription drug card being utilized by beneficiaries of health benefit plans, including state administered health programs, for filling drug prescriptions. Currently, there are from 1,000 to 2,500 differently formatted prescription drug benefit cards being used to fill prescriptions. Over 70 percent of all prescriptions are paid for by some type of health insurance program.

The National Council for Prescription Drug Programs has developed a standard format for information on patient pharmacy benefit cards in order to increase the efficiency of operations and communications with patients and prescribing providers. This information is used by pharmacists to determine the specific health coverages for patients and provide the appropriate drugs outlined in their service provider agreements. The uniform

information contains seven record fields on the card.

To date, nine states have adopted the use of the uniform prescription drug card.

Summary of Bill:

A health carrier or health plan administrator whose plans cover outpatient prescription drugs and who issues a card or other technology for prescription drug claims processing must include on that card or technology all information necessary for proper claims adjudication. The information must be updated upon renewal of the plan.

The act does not require the issuance of a pharmacy card separate from any other card issued to plan enrollees, if the card issued contains all of the information necessary to properly adjudicate prescription drug claims.

The Insurance Commissioner may adopt rules to implement the act, taking into consideration any relevant standards developed by the National Council for Prescription Drug Programs and the requirements of the federal Health Insurance Portability and Accountability Act of 1996.

The act applies to health benefit plans that are delivered, issued for delivery, or renewed on or after July 1, 2003.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.