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HOUSE BILL 1704

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State of Washington

60th Legislature

2007 Regular Session

By Representatives Schual-Berke, Morrell, Williams, Curtis, Green, Hasegawa, Moeller and Lantz

Read first time 01/25/2007. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to insurance coverage of pharmacy services; adding  
2 new sections to chapter 48.43 RCW; and prescribing penalties.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature intends health care insurers  
5 to have open pharmacy networks. Insurers must offer contractual  
6 agreements to all pharmacies willing to meet applicable terms and  
7 conditions of the policy contract. Insurers may not impose upon a  
8 beneficiary a copay, deductible, coinsurance, or prescription quantity  
9 limit that is not imposed upon all beneficiaries in the plan. Pharmacy  
10 services are known to be a necessary component in the overall health  
11 care system. Therefore, the legislature intends to promote access to  
12 ensure the citizens of Washington state can easily obtain their  
13 pharmacy services.

14 NEW SECTION. **Sec. 2.** Every health plan delivered, issued for  
15 delivery, or renewed by a health carrier on and after January 1, 2008,  
16 that provides for payment of all or a portion of prescription costs, or  
17 reimbursement of prescription costs, must:

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

3 (2) Not discriminate between different providers of pharmacy  
4 services by requiring the payment of different copayments, coinsurance  
5 levels, deductibles, or prescription quantity limits by the covered  
6 pharmacy patient depending on the identity or nature of the provider of  
7 pharmacy services;

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

12 (4) Offer all providers of pharmacy services the same terms and  
13 conditions.

14 NEW SECTION. **Sec. 3.** Section 2 of this act does not apply to:

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

18 (2) A health maintenance organization that provides pharmaceutical  
19 services through pharmacists it employs at pharmacies it owns. A  
20 health maintenance organization is exempt in geographic areas in which  
21 it owns the pharmacy or pharmacies, but is not exempt in other  
22 geographic areas in which the health maintenance organization does not  
23 provide pharmacy services through its own pharmacy and employees.

24 NEW SECTION. **Sec. 4.** (1) A health carrier, as defined in this  
25 chapter, who violates section 2 of this act or a rule adopted under  
26 that section may be subject to a penalty of not less than one thousand  
27 dollars nor more than fifty thousand dollars for each violation,  
28 payable to the health services account.

29 (2) A person may bring action against a carrier to recover damages  
30 suffered as the result of a violation of section 2 of this act or a  
31 rule adopted under that section. Proof of a violation constitutes  
32 prima facie evidence of damages.

33 NEW SECTION. **Sec. 5.** Sections 1 through 4 of this act are each

1 added to chapter 48.43 RCW.

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