
Health Care & Wellness Committee

HB 2319

Brief Description: Concerning prescription drug insurance continuity of care.

Sponsors: Representatives Jinkins, DeBolt, Tharinger and Van De Wege.

Brief Summary of Bill

- Requires health care service contractors to continue to cover prescription drugs for enrollees under certain circumstances.
- Prohibits health care service contractors from increasing out-of-pocket costs for prescription drugs under certain circumstances.

Hearing Date: 1/13/16

Staff: Jim Morishima (786-7191).

Background:

A health care service contractor is an entity that accepts prepayment for health care services from, or for the benefit of, enrollees as consideration for providing the enrollees with health care services. A health care service contractor offering coverage to individuals or small groups is required, under the federal Patient Protection and Affordable Care Act (PPACA), to cover ten categories of essential health benefits, one of which is prescription drugs.

To comply with the PPACA's prescription drug coverage requirement, a health care service contractor must cover prescription drugs in a manner substantially equal to a benchmark plan selected by the state. The health care service contractor's formulary is part of the prescription drug category and must be substantially equal to the formulary in the benchmark plan. A health care service contractor must file its formulary quarterly with the Office of the Insurance Commissioner.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

A carrier that has entered into a health care service plan contract with an enrollee that covers prescription drug benefits may not limit or exclude coverage of a drug for an existing, medically stable enrollee if:

- the drug previously had been approved for coverage by the plan for a medical condition of the enrollee;
- the plan's prescribing provider continues to prescribe the drug for the medical condition and the drug is both appropriately prescribed and is considered safe and effective for treating the enrollee's medical condition; and
- the patient continues to be an enrollee of the plan.

For new enrollees, the carrier must continue to cover a prescription drug if an enrollee is medically stable and had been receiving the drug from a prescribing physician prior to enrollment in the new plan.

Except during open enrollment periods, a carrier may not increase the out-of-pocket cost for a drug if:

- the drug previously had been approved for coverage;
- the plan's prescribing provider continues to prescribe the drug for the medical condition;
- the drug is appropriately prescribed; and
- the drug is considered safe and effective for treating the enrollee's medical condition.

A prescribing provider is not precluded from prescribing another drug covered by the health care service plan that is medically appropriate for the enrollee. Generic drug substitutions is also not prohibited.

Appropriation: None.

Fiscal Note: Requested on January 8, 2016.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.