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## Health Care & Wellness Committee

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### ESSB 5557

**Brief Description:** Addressing services provided by pharmacists.

**Sponsors:** Senate Committee on Health Care (originally sponsored by Senators Parlette, Conway, Rivers, Dammeier, Becker, Frockt, Schoesler, Keiser, Jayapal, Warnick and Honeyford).

#### Brief Summary of Engrossed Substitute Bill

- Requires a health carrier to reimburse for services provided by a pharmacist acting within his or her scope of practice under certain circumstances.
- Connects the Every Category of Provider Law to the essential health benefits instead of the Basic Health Plan.

**Hearing Date:** 3/18/15

**Staff:** Jim Morishima (786-7191).

#### **Background:**

##### The Every Category of Provider Law.

Under Washington's "Every Category of Provider Law," health carriers must permit every category of health care provider to provide health services or care for conditions included in the Basic Health Plan (a discontinued state program that provided coverage to low-income individuals for health services, including physician services, inpatient and outpatient hospital services, and prescription drugs and medication) if:

- the provision of the health services or care is within the provider's scope of practice; and
- the provider agrees to abide by standards relating to provision, utilization review, and cost containment; management and administrative procedures; and provision of cost-effective and clinically efficacious health services.

##### Pharmacists under the Every Category of Provider Law.

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*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.*

Pharmacists are licensed by the Pharmacy Quality Assurance Commission and may provide a variety of services, including:

- interpreting prescription orders;
- compounding, dispensing, labeling, administering, and distributing drugs and devices;
- monitoring drug therapy and use;
- initiating or modifying drug therapy in accordance with written guidelines or protocols established by a prescribing authority;
- participating in drug utilization reviews and drug product selection;
- properly and safely storing and distributing drugs and devices; and
- providing information on legend drugs.

In 2013, an informal Attorney General Opinion stated that pharmacists are health care providers for purposes of the Every Category of Provider law and therefore must be compensated for services included in the Basic Health Plan that are within the pharmacist's scope of practice if the pharmacist abides by standards relating to cost containment, management, and clinically efficacious health services.

### Essential Health Benefits.

The federal Patient Protection and Affordable Care Act requires individual and small group market health plans to offer 10 categories of "essential health benefits" both inside and outside of Washington's health benefit exchange. The essential health benefits are established on a state-by-state basis using a supplemented chosen by each state. Washington's benchmark plan is the largest small group market plan in the state.

### **Summary of Bill:**

Health plans issued or renewed on or after January 1, 2016, may not deny benefits for health care services provided by licensed pharmacists if:

- the service was within the pharmacist's lawful scope of practice;
- the plan would have provided benefits if the services had been provided by a physician, osteopathic physician, advanced registered nurse practitioner, physician's assistant, or osteopathic physician's assistant; and
- the pharmacist is included in the plan's network (mere participation of a pharmacy in the plan's drug benefit does not constitute inclusion in the network).

For purposes of the Every Category of Provider Law:

- health carriers are required to reimburse every category of provider for services or care included in the essential health benefits benchmark plan, instead of the Basic Health Plan; and
- large group plans must use a definition of essential health benefits that meets federal requirements, but are not required to cover a service that is not otherwise a covered benefit.

**Appropriation:** None.

**Fiscal Note:** Available.

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