

SHORT TITLE: Insurance; medical benefit contracts; selecting pharmacy or pharmacist; codification; effective date.

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

SENATE BILL NO. 1035

By: Herbert of the Senate

and

Hamilton (Jeff) of the
House

AS INTRODUCED

An Act relating to insurance; providing for application and enforcement of act; specifying exceptions; defining terms; prohibiting certain plans, policies and organizations from certain contents and actions relating to selection of pharmacies or pharmacists; providing for penalty; prohibiting certain fees and conditions; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3634.1 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. This act shall apply to medical benefit contracts, health care centers, insurance companies and health maintenance organizations which provide coverage for prescription drugs.

B. The Insurance Commissioner shall implement and enforce the provisions of this act pursuant to the Oklahoma Insurance Code.

C. Health maintenance organizations which are both state certified and federally qualified and self-insured plans under the Employee Retirement Income Security Act of 1974 (ERISA) are not covered by the provisions of this act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3634.2 of Title 36, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Co-payment" means a type of cost sharing whereby insured or covered persons pay a specified predetermined amount per unit of service with their insurer paying the remainder of the charge. The co-payment is incurred at the time the service is used. The co-payment may be a fixed or variable amount;

2. "Contract provider" means a pharmacy or pharmacist granted the right to provide prescription drugs and pharmacy services according to the terms of the insurer;

3. "Insurer" means any individual, plan, policy or contract that provides health care coverage benefits for pharmacy services including, but not limited to, prescription drugs;

4. "Pharmacist" means any person licensed by the Oklahoma State Board of Pharmacy to practice pharmacy; and

5. "Pharmacy" means a pharmacy licensed by the Oklahoma State Board of Pharmacy.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3634.3 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. A health insurance plan, policy or health maintenance organization shall not:

1. Prohibit or limit in the State of Oklahoma any person who is a participant or beneficiary of the policy or plan from selecting a pharmacy or pharmacist of his choice who has agreed to participate in the plan according to the terms offered by the insurer; or

2. Deny a pharmacy or pharmacist the right to participate as a contract provider under the policy or plan if the pharmacy or pharmacist agrees to provide pharmacy services, including but not limited to prescription drugs, that meet the terms and requirements set forth by the insurer under the policy or plan and agrees to the terms of reimbursement set forth by the insurer.

B. Since a co-payment is implemented by an insurer to discourage over-utilization of a covered service by the insured, it constitutes unprofessional conduct for a pharmacy or pharmacist to waive, discount, rebate or in any way distort the designated

co-payment of any insurer plan or patient's co-insurance portion of a prescription medication coverage plan.

C. No insurer may impose upon a beneficiary any co-payment, fee or condition that is not equally imposed upon all beneficiaries in the plan.

SECTION 4. This act shall become effective September 1, 1994.

44-2-1869

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