
SUBSTITUTE HOUSE BILL 1069

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Health Care (originally sponsored by Representatives Braddock, Leonard, Prentice, Jones, Pruitt, Riley, Wineberry, Franklin, Jacobsen, Roland, H. Myers, Bowman, Inslee, Morris and Spanel).

Read first time February 25, 1991.

1 AN ACT Relating to prescription medicine insurance coverage; adding
2 a new section to chapter 48.20 RCW; adding a new section to chapter
3 48.21 RCW; adding a new section to chapter 48.44 RCW; adding a new
4 section to chapter 48.46 RCW; adding a new section to chapter 41.05
5 RCW; and creating a new section.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that many health
8 care insurance policies, that include prescription coverage, severely
9 restrict the citizens' choice of available pharmacies. The legislature
10 further finds that such restrictions infringe on the citizens' right to
11 have their prescriptions filled at the pharmacy and by the pharmacist
12 of their choice.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.20 RCW
14 to read as follows:

1 Each disability insurance policy issued or renewed after January 1,
2 1992, that provides for payment of all or a portion of prescription
3 medicine costs, or reimbursement therefor, may not limit purchase of
4 prescription medicines to a designated pharmacy. The policy may not
5 require the pharmacy patient to make a different or variable copayment
6 or contribution, whether figured as a fixed dollar amount or a
7 percentage of the cost, based on where or from whom the prescription
8 medicines are purchased. This section does not prohibit any third-
9 party payor of pharmaceutical services, who provides for reimbursement
10 to the pharmacy patient or payment on his or her behalf, from limiting
11 the amount reimbursed for the cost of prescription drugs to the cost of
12 identical prescription drugs available through a designated pharmacy.
13 For the purpose of this section, each third-party payor of
14 pharmaceutical services shall identify as a part of the third-party
15 agreement or contract the designated pharmacy that will be used as the
16 baseline comparison.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.21 RCW
18 to read as follows:

19 Each group disability insurance policy issued or renewed after
20 January 1, 1992, that provides for payment of all or a portion of
21 prescription medicine costs, or reimbursement therefor, may not limit
22 purchase of prescription medicines to a designated pharmacy. The
23 policy may not require the pharmacy patient to make a different or
24 variable copayment or contribution, whether figured as a fixed dollar
25 amount or a percentage of the cost, based on where or from whom the
26 prescription medicines are purchased. This section does not prohibit
27 any third-party payor of pharmaceutical services, who provides for
28 reimbursement to the pharmacy patient or payment on his or her behalf,
29 from limiting the amount reimbursed for the cost of prescription drugs

1 to the cost of identical prescription drugs available through a
2 designated pharmacy. For the purpose of this section, each third-party
3 payor of pharmaceutical services shall identify as a part of the third-
4 party agreement or contract the designated pharmacy that will be used
5 as the baseline comparison.

6 NEW SECTION. **Sec. 4.** A new section is added to chapter 48.44 RCW
7 to read as follows:

8 Each health care service contract issued or renewed after January
9 1, 1992, that provides for payment of all or a portion of prescription
10 medicine costs, or reimbursement therefor, may not limit purchase of
11 prescription medicines to a designated pharmacy. The contract may not
12 require the pharmacy patient to make a different or variable copayment
13 or contribution, whether figured as a fixed dollar amount or a
14 percentage of the cost, based on where or from whom the prescription
15 medicines are purchased. This section does not prohibit any third-
16 party payor of pharmaceutical services, who provides for reimbursement
17 to the pharmacy patient or payment on his or her behalf, from limiting
18 the amount reimbursed for the cost of prescription drugs to the cost of
19 identical prescription drugs available through a designated pharmacy.
20 For the purpose of this section, each third-party payor of
21 pharmaceutical services shall identify as a part of the third-party
22 agreement or contract the designated pharmacy that will be used as the
23 baseline comparison.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 48.46 RCW
25 to read as follows:

26 Each health maintenance agreement issued or renewed after January
27 1, 1992, that provides for payment of all or a portion of prescription
28 medicine costs, or reimbursement therefor, may not limit purchase of

1 prescription medicines to a designated pharmacy. The policy may not
2 require the pharmacy patient to make a different or variable copayment
3 or contribution, whether figured as a fixed dollar amount or a
4 percentage of the cost, based on where or from whom the prescription
5 medicines are purchased. This section does not prohibit any third-
6 party payor of pharmaceutical services, who provides for reimbursement
7 to the pharmacy patient or payment on his or her behalf, from limiting
8 the amount reimbursed for the cost of prescription drugs to the cost of
9 identical prescription drugs available through a designated pharmacy.
10 For the purposes of this section, each third-party payor of
11 pharmaceutical services shall identify as a part of the third-party
12 agreement or contract the designated pharmacy that will be used as the
13 baseline comparison. This section does not apply to health maintenance
14 organizations in which all pharmaceutical services are provided by
15 employees of the health maintenance organization.

16 NEW SECTION. **Sec. 6.** A new section is added to chapter 41.05 RCW
17 to read as follows:

18 Each health plan offered to public employees and their covered
19 dependents under this chapter that is not subject to the provisions of
20 Title 48 RCW and is established or renewed after January 1, 1992, that
21 provides for payment of all or a portion of prescription medicine
22 costs, or reimbursement therefor, may not limit purchase of
23 prescription medicines to a designated pharmacy. The plan may not
24 require the pharmacy patient to make a different or variable copayment
25 or contribution, whether figured as a fixed dollar amount or a
26 percentage of the cost, based on where or from whom the prescription
27 medicines are purchased. This section does not prohibit any health
28 plan that provides for reimbursement to the pharmacy patient or payment
29 on his or her behalf, from limiting the amount reimbursed for the cost

1 of prescription drugs to the cost of identical prescription drugs
2 available through a designated pharmacy. For the purpose of this
3 section, each health plan shall identify as a part of the health plan
4 the designated pharmacy that will be used as the baseline comparison.