

# SENATE BILL REPORT

## SHB 2465

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As Reported by Senate Committee On:  
Health Care, February 25, 2016

**Title:** An act relating to requiring private health insurers and the medicaid program to reimburse for a twelve-month supply of contraceptive drugs.

**Brief Description:** Requiring private health insurers and the medicaid program to reimburse for a twelve-month supply of contraceptive drugs.

**Sponsors:** House Committee on Health Care & Wellness (originally sponsored by Representatives Robinson, Stambaugh, Wylie, Walsh, S. Hunt, Frame, Sawyer, Rossetti, Riccelli, Magendanz, Harris, Reykdal, Senn, Kagi, Lytton, Tharinger, Caldier, Stanford, Farrell, Cody, Kilduff, Peterson, Kuderer, Bergquist, Ormsby and Santos).

**Brief History:** Passed House: 2/11/16, 91-6.

**Committee Activity:** Health Care: 2/22/16, 2/25/16 [DPA].

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### SENATE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass as amended.

Signed by Senators Becker, Chair; Dammeier, Vice Chair; Cleveland, Ranking Minority Member; Angel, Bailey, Brown, Conway, Frockt, Jayapal, Keiser and Rivers.

**Staff:** Mich'l Needham (786-7442)

**Background:** Under the federal Patient Protection and Affordable Care Act (PPACA), all group health plans must cover preventive services. Under federal rules, preventive services include all federal Food and Drug Administration (FDA)-approved contraceptive methods. Drugs that induce abortions and vasectomies are not included in this coverage mandate. Federal rules provide exceptions for religious employers.

Individual and small group market health plans must cover 10 essential health benefit categories. Prescription drugs, including all FDA-approved contraceptive methods and prescription-based sterilization procedures for women, are included in Washington's essential health benefits package.

Medicaid is a federal-state program that provides health care services to specified categories of low-income individuals pursuant to federal standards. Family planning services, including

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contraception, are covered under Medicaid. The federal government provides a 90 percent match rate for family planning services. The 2013-2015 budget included a proviso requiring the Health Care Authority (HCA) to make arrangements for all Medicaid programs offered through managed care plans or fee-for-service programs to require dispensing of contraceptive drugs with a one-year supply provided at one time unless a patient requests a smaller supply or the prescribing physician instructs that the patient must receive a smaller supply. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

**Summary of Bill (Recommended Amendments):** A health benefit plan issued or renewed on or after January 1, 2017, that includes coverage for contraceptive drugs must reimburse for a 12-month refill of contraceptive drugs obtained at once by an enrollee after the enrollee has completed the initial supply of the drugs, unless the enrollee requests a smaller supply or the prescribing provider instructs that the enrollee must receive a smaller supply. The 12-month refill may be limited at the end of the calendar year if a 12-month refill has already been provided. When a 12-month refill is provided only one dispensing fee shall be collected. Any dispensing practices required by the plan must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

HCA must make arrangements for all Medicaid programs offered through managed care plans or fee-for-service programs to require dispensing of contraceptive drugs with a 12-month supply provided at one time unless a patient requests a smaller supply or the prescribing physician instructs that the patient must receive a smaller supply. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. When a 12-month refill is provided only one dispensing fee shall be collected. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

"Contraceptive drugs" is defined to mean all drugs approved by the FDA, including, but not limited to, hormonal drugs administered orally, transdermally, or intravaginally.

**EFFECT OF CHANGES MADE BY HEALTH CARE COMMITTEE (Recommended Amendments):** The health insurance carriers may limit the refill of a 12-month refill at the end of the calendar year if a 12-month refill has already been provided; the requirement to provide contraceptive drugs at the provider's office is removed for the insured plans; when a 12-month refill is provided only one dispensing fee shall be collected, for health insurance and Medicaid.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: There is no fiscal impact to the state since Medicaid already does this under a budget proviso passed a few years ago. Patients deserve consistent access to contraceptives. A California study showed a 30 percent decrease in unintended pregnancies when contraceptives are more readily available with a multiple month supply. Many women are not able to get to a pharmacy every month. There are barriers to access that can be simplified. There is no medical reason not to provide more months of contraceptives. This bill provides common sense access. I need contraceptives for a medical reason and it has been a struggle to get to a pharmacy every month to maintain my health and prevent further complications from my condition. When I lives in a remote area it required a 50 mile round trip to the pharmacy each month and it was a hardship. There are many women in remote geographic areas that find access difficult, and this would remove a barrier and allow access for more than one month at a time. This would allow reliable and consistent access. As a student studying abroad, I could not attain contraceptives in advance, and it was a hardship with time delays and mailing costs. Other friends studying in China are not able to have their products mailed at all, and allowing access in advance of the study abroad would simplify access and maintain health.

**Persons Testifying:** PRO: Representative Robinson, Prime Sponsor; Lyndsey Benson, Sarah McDonald, Laura Hamilton, American Congress of Obstetricians and Gynecologists (ACOG); Natasha Laitila; Katherine Carey, Constituent.

**Persons Signed In To Testify But Not Testifying:** No one.