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SENATE BILL 6119

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State of Washington

54th Legislature

1996 Regular Session

By Senator Quigley

Read first time 01/08/96. Referred to Committee on Health & Long-Term Care.

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

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

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

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

14 (1) Each disability insurance policy issued or renewed after July  
15 1, 1996, that provides for payment of all or a portion of prescription  
16 costs, or reimbursement of prescription costs, may not limit purchase  
17 of prescription medicines to a designated pharmacy nor provide for the  
18 payment of additional fees or deductibles by the covered pharmacy

1 patient as a condition of obtaining prescription benefits from a  
2 pharmacy other than a designated pharmacy.

3 (2) The policy may not prohibit a qualified provider of pharmacy  
4 services from becoming a designated provider under the provisions of  
5 the policy if the applicant pharmacy indicates a desire to be  
6 recognized as a designated provider and meets all the applicable terms  
7 and conditions of the policy contract.

8 (3) All qualified providers of pharmacy services shall be subject  
9 to the same terms and conditions for becoming a designated provider.

10 (4) A pharmacy filling prescriptions under this section agrees to  
11 provide pharmaceutical services under the same terms, including  
12 administrative, financial, and professional conditions, as those  
13 provided by the designated pharmacy.

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

16 (1) Each group disability insurance policy issued or renewed after  
17 July 1, 1996, that provides for payment of all or a portion of  
18 prescription costs, or reimbursement of prescription costs, may not  
19 limit purchase of prescription medicines to a designated pharmacy nor  
20 provide for the payment of additional fees or deductibles by the  
21 covered pharmacy patient as a condition of obtaining prescription  
22 benefits from a pharmacy other than a designated pharmacy.

23 (2) The policy may not prohibit a qualified provider of pharmacy  
24 services from becoming a designated provider under the provisions of  
25 the policy if the applicant pharmacy indicates a desire to be  
26 recognized as a designated provider and meets all the applicable terms  
27 and conditions of the policy contract.

28 (3) All qualified providers of pharmacy services shall be subject  
29 to the same terms and conditions for becoming a designated provider.

30 (4) A pharmacy filling prescriptions under this section agrees to  
31 provide pharmaceutical services under the same terms, including  
32 administrative, financial, and professional conditions, as those  
33 provided by the designated pharmacy.

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

36 (1) Each health care service contract issued or renewed after July  
37 1, 1996, that provides for payment of all or a portion of prescription

1 costs, or reimbursement of prescription costs, may not limit purchase  
2 of prescription medicines to a designated pharmacy nor provide for the  
3 payment of additional fees or deductibles by the covered pharmacy  
4 patient as a condition of obtaining prescription benefits from a  
5 pharmacy other than a designated pharmacy.

6 (2) The policy may not prohibit a qualified provider of pharmacy  
7 services from becoming a designated provider under the provisions of  
8 the policy if the applicant pharmacy indicates a desire to be  
9 recognized as a designated provider and meets all the applicable terms  
10 and conditions of the policy contract.

11 (3) All qualified providers of pharmacy services shall be subject  
12 to the same terms and conditions for becoming a designated provider.

13 (4) A pharmacy filling prescriptions under this section agrees to  
14 provide pharmaceutical services under the same terms, including  
15 administrative, financial, and professional conditions, as those  
16 provided by the designated pharmacy.

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

19 (1) Each health maintenance agreement issued or renewed after July  
20 1, 1996, that provides for payment of all or a portion of prescription  
21 costs, or reimbursement of prescription costs, may not limit purchase  
22 of prescription medicines to a designated pharmacy nor provide for the  
23 payment of additional fees or deductibles by the covered pharmacy  
24 patient as a condition of obtaining prescription benefits from a  
25 pharmacy other than a designated pharmacy.

26 (2) The policy may not prohibit a qualified provider of pharmacy  
27 services from becoming a designated provider under the provisions of  
28 the policy if the applicant pharmacy indicates a desire to be  
29 recognized as a designated provider and meets all the applicable terms  
30 and conditions of the policy contract.

31 (3) All qualified providers of pharmacy services shall be subject  
32 to the same terms and conditions for becoming a designated provider.

33 (4) A pharmacy filling prescriptions under this section agrees to  
34 provide pharmaceutical services under the same terms, including  
35 administrative, financial, and professional conditions, as those  
36 provided by the designated pharmacy.

1        NEW SECTION.    **Sec. 6.**    (1) All carriers, as defined in RCW  
2 48.43.005, who violate this act or any rule adopted under this act  
3 shall pay a civil penalty of not less than one thousand dollars nor  
4 more than fifty thousand dollars for each violation. The attorney  
5 general shall bring an action in superior court to enforce the  
6 provisions of this act.

7        (2) Any person may bring a civil action against any carrier to  
8 recover damages suffered as the result of a violation of this act or of  
9 a rule adopted under this act. Proof of a violation constitutes prima  
10 facie evidence of damages. The court shall award treble the amount of  
11 damages.

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