SB 558 -2, -3 STAFF MEASURE SUMMARY

Senate Committee On Health Care

Prepared By: Brian Nieubuurt, LPRO Analyst

Meeting Dates: 2/22, 3/31

WHAT THE MEASURE DOES:

Prohibits insurance policies and prescription drug coverage contracts from requiring prescription be filled or refilled at mail order pharmacy, or to prohibit prescription from being filled or refilled at local pharmacy.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

- Difficulties accessing prescription medications through mail order pharmacies, particularly for people with dual coverage
- House Bill 2185 (2019)
- Role of specialty pharmacies
- Increase in use of mail order during COVID-19 pandemic

EFFECT OF AMENDMENT:

- -2 Replaces measure. Prohibits insurance policies and and prescription drug coverage contracts from requiring prescription be filled or refilled at mail order pharmacy, or to prohibit prescription from being filled or refilled at local pharmacy if insured is enrolled in medical assistance.
- -3 Replaces measure. Prohibits insurance policies and and prescription drug coverage contracts from requiring prescription be filled or refilled at mail order pharmacy, or to prohibit prescription from being filled or refilled at local pharmacy if insured is enrolled in medical assistance. Allows insurer to require a medical assistance recipient to fill or refill a prescription for a specialty drug at a mail order pharmacy that is a specialty pharmacy.

BACKGROUND:

Health insurers often partner with mail order pharmacies to offer enrollees the option to have covered prescription drug delivered to their home. Mail order pharmacies commonly deliver regularly taken prescription drug (e.g. blood pressure medication and birth control pills) in bulk 90-day supplies, offering convenience and potential cost-savings. Some insurance coverage policies require enrollees to use mail order pharmacies, particularly in the case of specialty medicines. Required use of mail order pharmacies can negatively impact enrollees, particularly when needed medications are not delivered when needed. In 2019, the Legislative Assembly passed House Bill 2185 which prohibits pharmacy benefit managers from requiring an enrollee to fill or refill prescriptions at a mail order pharmacy.

Senate Bill 558 prohibits insurance policies and prescription drug coverage contracts from requiring prescriptions to be filled at a mail order pharmacy, or prohibiting prescriptions from being filled at a local pharmacy.