

HB 4012 A STAFF MEASURE SUMMARY

Carrier: Rep. Nosse

House Committee On Behavioral Health and Health Care

Action Date: 02/19/24

Action: Do pass with amendments and rescind subsequent referral to Ways and Means. (Printed A-Eng.)

Vote: 11-0-0-0

Yeas: 11 - Bowman, Conrad, Dexter, Diehl, Goodwin, Javadi, Nelson, Nosse, Pham H, Tran, Yunker

Fiscal: No fiscal impact

Revenue: No revenue impact

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Meeting Dates: 2/6, 2/19

WHAT THE MEASURE DOES:

The measure prohibits health benefit plans from requiring a clinician-administered drug to be dispensed at limited pharmacies for drugs administered by an enrollee's oncology clinic to treat a symptom, complication, or consequence of cancer. It defines "administer" and "clinician-administered drug" for purposes of the measure. The measure clarifies the circumstances permitting a health benefit plan to require a health care provider be reimbursed for clinician-administered drugs as a medical benefit.

ISSUES DISCUSSED:

- Impacts "white bagging" requirements can have on patient care
- Cost savings that can be achieved through "white bagging"
- Difference in pharmacy cost in hospitals versus specialty pharmacies

EFFECT OF AMENDMENT:

Clarifies the definition of "clinician-administered drug." Narrows conditions triggering coverage protections from chronic, complex, rare, or life-threatening medical conditions to treatment of cancer or cancer symptoms, complications, or consequences.

BACKGROUND:

Traditionally, physicians have been able to "buy-and-bill" physician-administered drugs; wherein they purchase, store, prepare, and administer the drug to the patient and are then reimbursed for both the drug itself and its administration under the patient's medical benefit. In recent years, payers have sought to reduce costs by requiring that physician-administered drugs be purchased from a specialty pharmacy and shipped to the provider's office to administer. This practice, referred to as "white bagging," commonly shifts reimbursement for the drug from being paid to the provider under the patient's medical benefit to being paid to the specialty pharmacy under the patient's pharmacy benefit. While patients can benefit from reduced costs under this reimbursement model, providers cite safety concerns such as the inability to adjust dosages or delays in the provision of care due to drug shipping issues.