

# Sponsor Statement for HB 282

## Prescription Drug Insurance Benefits

*An Act relating to prescription drug benefits under a group health care insurance plan.*

**Released:** January 23, 2002  
**Contact:** Representative John Coghill's office at (907) 465-3719

This legislation addresses concerns over certain prescription drug coverage inequities that have been brought to our attention.

1. When an insurance company pre-authorizes the wrong supply amount, they should not be able to demand a refund and levy a penalty against the pharmacy involved.

The bill addresses an incident in Fairbanks where a local pharmacy was audited. The audit exposed evidence that the pharmacy was paid for a 90-day supply of a drug that should be dispensed in 30-day supplies. However, the pharmacy had previously contacted the insurer and obtained pre-authorization for the 90-day supply. HB 282 puts a stop to this.

2. Insurance providers may not alter a prescription's supply limit from what medical personnel have prescribed for that individual patient.

The medical personnel who dictate prescriptions should have authoritative primacy over the amount a prescription is to be dispensed in, according to the needs of the patient. This would prevent an insurance provider from rejecting a prescription for a 90-day or six month supply and mandating that the prescription be supplied in different increments instead.

3. Insurance providers may not impose lower supply limits on prescription drugs obtained at an in-state pharmacy than prescription drugs purchased by mail order.

An example of this instance would be if an insurance company restricts prescription fills at local pharmacies to 30-day only supplies, but offers 90-day supplies through a mail-in option. The consumer is forced to seek the mail-in option to avoid paying a tripled co-pay for the 90-day amount the prescription was originally prescribed for.

The intent of HB 282 is to promote fairness and balance in prescription drug benefits. Current restrictions such as these create unnecessary penalties to the consumer and pharmacy, and hamper individuals access to the adequate prescription drugs needed for medical conditions.

