

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: S3/6/01 S3/22/01

A Bill

Act 1409 of 2001
SENATE BILL 800

5 By: Senators P. Malone, *Cash, B. Johnson, T. Smith, Wilkinson, DeLay*
6 By: Representatives *C. Taylor, Rodgers, Scrimshire, Biggs, Childers, Jacobs, T. Roebuck, R. Smith,*
7 *Magnus, D. Elliott, Nichols, Ferguson, Gillespie*
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For An Act To Be Entitled

11 AN ACT TO REQUIRE UNI FORM PRESCRI PTI ON DRUG
12 INFORMATION CARDS; AND FOR OTHER PURPOSES.

Subtitle

15 AN ACT TO REQUIRE UNI FORM PRESCRI PTI ON
16 DRUG INFORMATION CARDS.

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20
21 SECTION 1. It is the intent of the General Assembly to improve care to
22 patients by minimizing confusion, eliminating unnecessary paperwork,
23 decreasing administrative burdens and streamlining dispensing of prescription
24 products paid for by third party payors. This act shall be construed
25 liberally to effectuate this purpose.

26
27 SECTION 2. As used in this act:

28 (1) "Commissioner" means the State Insurance Commissioner;

29 (2) "Covered person" means a person on whose behalf a health benefit
30 plan is obligated to pay benefits pursuant to the health benefit plan; and

31 (3) "Health benefit plan" means any individual, blanket or group plan,
32 policy, certificate or contract for health care services issued or delivered
33 in this state, including indemnity plans, managed care plans, plans provided
34 or arranged by fraternal benefit societies, plans provided or arranged by
35 health maintenance organizations, health governmental plans as defined in 29
36 U.S.C. 1002(32), as in effect January 1, 2001, plans provided through a

1 multiple employer welfare arrangement, or plans provided through another
2 benefit arrangement, to the extent permitted by the Employee Retirement
3 Income Security Act of 1974, as in effect January 1, 2001, or by any waiver
4 of or other exception to that act provided under federal law or regulation,
5 as in effect January 1, 2001.

6
7 SECTION 3. This act shall not apply to:

- 8 (1) Accidental injury insurance plans;
9 (2) Dental insurance plans;
10 (3) Vision insurance plans;
11 (4) Specified disease insurance plans;
12 (5) Disability income plans;
13 (6) Credit insurance plans;
14 (7) Insurance coverage issued as a supplement to liability insurance;
15 (8) Medical payments under automobile or homeowners insurance plans;
16 (9) Health benefit plans provided pursuant to Arkansas Constitution,
17 Article 5, § 32, the Workers' Compensation Law, which begins at Arkansas Code
18 11-9-101, and the Public Employee Workers' Compensation Act, which begins at
19 Arkansas Code 21-5-601;
20 (10) Insurance under which benefits are payable with or without regard
21 to fault and the benefits which are statutorily required to be contained in
22 any liability policy or equivalent self-insurance; and
23 (11) Plans that only provide indemnity for hospital confinement.

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25 SECTION 4. (a) Every health benefit plan that provides coverage for
26 prescription drugs or devices and issues a card or other technology for
27 claims processing, and every administrator of such plans, including third-
28 party administrators for self-insured plans, pharmacy benefit managers and
29 administrators of state plans, shall issue to all covered persons a uniform
30 card or other technology containing uniform prescription drug information as
31 required under this act.

32 (b) The uniform prescription drug information card or other technology
33 shall:

34 (1)(A)(i) Be in a format approved by the National Council for
35 Prescription Drug Programs;

36 (ii) Include all fields of information required by

1 the National Council for Prescription Drug Programs; and
2 (iii) Conform to the most recent pharmacy
3 information card or other technology implementation guide produced by the
4 National Council for Prescription Drug Programs; or

5 (B) Conform to a national format established in an
6 administrative rule by the State Insurance Commissioner;

7 (2) Include in a clear, readable and understandable manner all
8 information, exclusive of information provided on the prescription as
9 required by law or regulation, that is necessary to process a claim for
10 prescription drug benefits under the health benefit plan;

11 (3) Format and arrange all information on the card or other
12 technology in a manner that corresponds both in content and format to the
13 content and format required by the health benefit plan to process the claim
14 for prescription drug benefits;

15 (4) Conform all information on the card or other technology not
16 specified by the National Council for Prescription Drug Programs to a content
17 and format established in an administrative rule by the commissioner; and

18 (5) If the health benefit plan requires a conditional or
19 situational field as defined by the National Council for Prescription Drug
20 Programs, conform the conditional or situational field to the most recent
21 pharmacy information card or other technology implementation guide produced
22 by the National Council for Prescription Drug Programs or to a national
23 format established in an administrative rule by the commissioner.

24
25 SECTION 5. (a) Upon enrollment of a covered person, a health benefit
26 plan shall issue a uniform prescription drug information card or other
27 technology in accordance with the requirements of Section 4 of this act.

28 (b) Upon any change in a covered person's coverage that impacts, in
29 content or format, any information contained on a uniform prescription drug
30 information card or other technology a health benefit plan shall issue new
31 uniform prescription drug information cards, or other technology to all
32 covered persons in accordance with the requirements of Section 4 of this act.

33 (c)(1) A newly issued uniform prescription drug information card or
34 other technology shall be updated with the latest coverage information and
35 shall conform to the National Council for Prescription Drug Programs
36 standards then in effect, and to the implementation guide then in use, or a

1 national format established in an administrative rule by the State Insurance
2 Commissioner.

3 (2) However, a health benefit plan may issue stickers to covered
4 persons to update cards as may be established in an administrative rule by
5 the commissioner.

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7 SECTION 6. (a) This act does not require a health benefit plan that
8 provides coverage for prescription drugs or devices to issue a card or other
9 technology separate from any identification card issued to a covered person
10 to evidence coverage under the health benefit plan, if the card or other
11 technology contains all of the required fields of information established by
12 the National Council for Prescription Drug Programs, as in effect January 1,
13 2001, that are necessary to process a claim for prescription drug benefits
14 under the health benefit plan.

15 (b) The required fields of information shall be included on the card
16 in a substantially similar format to that established by the National Council
17 for Prescription Drug Programs, as in effect January 1, 2001, and shall be
18 printed in a clear, readable and understandable manner.

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20 SECTION 7. All prescription drug information cards, or other
21 technologies, including dual use identification cards described in Section 6
22 of this act, that are executed, delivered, issued, modified, extended or
23 renewed by a health benefit plan shall comply with the requirements of this
24 act within two (2) years after the effective date of this act.

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26 SECTION 8. The State Insurance Commissioner shall have all the powers
27 to enforce this act that are granted to the commissioner elsewhere in the
28 Arkansas Insurance Code, which begins at Arkansas Code 23-60-101.

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30 SECTION 9. The State Insurance Commissioner shall promulgate
31 regulations necessary to implement this act, and shall look for guidance to
32 the standards and implementation guides produced by the National Council for
33 Prescription Drug Programs.

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35 SECTION 10. EMERGENCY CLAUSE. It is hereby found and determined by
36 the General Assembly of the State of Arkansas that sixty-eight percent (68%)

1 of a pharmacist's professional time is spent dealing with issues unrelated to
2 patient care; that pharmacists are currently spending at least twenty percent
3 (20%) of their professional time serving as intermediaries between patients
4 and insurance companies; that prescription benefit cards vary dramatically
5 between the many various health benefit plans; that surveys and studies
6 indicate that the lack of a uniform prescription drug information card is a
7 primary impediment to the productivity of pharmacists; that requiring the use
8 of a standardized prescription drug information card will benefit both
9 pharmacists and patients by decreasing stress and frustration and enhancing
10 opportunities for patient interaction resulting in better use of medication,
11 improved health outcomes, reduced health costs and convenience for consumers;
12 that the immediate passage of this act is necessary to improve care to
13 patients by minimizing confusion, eliminating unnecessary paperwork,
14 decreasing administrative burdens and streamlining dispensing of prescription
15 products paid for by third party payors. Therefore, an emergency is declared
16 to exist and this act being immediately necessary for the preservation of the
17 public peace, health and safety shall become effective on the date of its
18 approval by the Governor. If the bill is neither approved nor vetoed by the
19 Governor, it shall become effective on the expiration of the period of time
20 during which the Governor may veto the bill. If the bill is vetoed by the
21 Governor and the veto is overridden, it shall become effective on the date
22 the last house overrides the veto.

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/s/ P. Malone

APPROVED: 4/9/2001