

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.

State of Arkansas

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

83rd General Assembly

## A Bill

Regular Session, 2001

SENATE BILL 800

By: Senators P. Malone, Cash, B. Johnson, T. Smith, Wilkinson, DeLay

By: Representatives C. Taylor, Rodgers, Scrimshire, Biggs, Childers, Jacobs, T. Roebuck, R. Smith, Magnus, D. Elliott, Nichols, Ferguson, Gillespie

### For An Act To Be Entitled

AN ACT TO REQUIRE UNI FORM PRESCRIPTION DRUG  
INFORMATION CARDS; AND FOR OTHER PURPOSES.

### Subtitle

AN ACT TO REQUIRE UNI FORM PRESCRIPTION  
DRUG INFORMATION CARDS.

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

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

SECTION 2. As used in this act:

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

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

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

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

SECTION 3. This act shall not apply to:

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

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

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

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

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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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24 */s/ P. Malone*  
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