
 THE GENERAL ASSEMBLY OF PENNSYLVANIA

 HOUSE BILL

 No. 838 Session of
2009

INTRODUCED BY LONGIETTI, EACHUS, CALTAGIRONE, CARROLL, COHEN,
DeLUCA, DONATUCCI, FRANKEL, GALLOWAY, GEORGE, GIBBONS,
HENNESSEY, JOSEPHS, KORTZ, KOTIK, MANDERINO, MUNDY, MURT,
M. O'BRIEN, READSHAW, SIPTROTH, K. SMITH, WALKO, WHEATLEY,
YOUNGBLOOD WANSACZ, BRIGGS, VULAKOVICH AND DENLINGER,
MARCH 10, 2009

SENATOR D.WHITE, BANKING AND INSURANCE, IN SENATE, AS AMENDED,
JUNE 8, 2010

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," further providing for conditions ←
12 ~~subject to which policies are to be issued; and providing for~~
13 ~~health insurance coverage for certain children of insured~~
14 ~~parents~~ PROVIDING FOR ACCESS TO COMMUNITY PHARMACY SERVICES. ←

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 ~~Section 1. Section 617(A) (3) and (9) of the act of May 17,~~ ←
18 ~~1921 (P.L.682, No.284), known as The Insurance Company Law of~~
19 ~~1921, repealed and added May 25, 1951 (P.L.417, No.99) and added~~
20 ~~January 18, 1968 (1967 P.L.969, No.433), are amended to read:~~

21 ~~Section 617. Conditions Subject to Which Policies Are to Be~~

1 ~~Issued. (A) No such policy shall be delivered or issued for~~
2 ~~delivery to any person in this Commonwealth unless:~~

3 ~~* * *~~

4 ~~(3) it purports to insure only one person, except that a~~
5 ~~policy may insure, originally or by subsequent amendment, upon~~
6 ~~the application of an adult head of a family who shall be deemed~~
7 ~~the policyholder, any two or more eligible members of that~~
8 ~~family, including husband, wife, dependent children or any~~
9 ~~children under a specified age which, except as provided under~~
10 ~~section 617.1, shall not exceed nineteen years and any other~~
11 ~~person dependent upon the policyholder; and~~

12 ~~* * *~~

13 ~~(9) A policy delivered or issued for delivery after January~~
14 ~~1, 1968, under which coverage of a dependent of a policyholder~~
15 ~~terminates at a specified age shall, with respect to an~~
16 ~~unmarried child covered by the policy prior to the attainment of~~
17 ~~the age of nineteen or except as provided under section 617.1,~~
18 ~~the age of twenty nine, who is incapable of self sustaining~~
19 ~~employment by reason of mental retardation or physical handicap~~
20 ~~and who became so incapable prior to attainment of age nineteen~~
21 ~~and who is chiefly dependent upon such policyholder for support~~
22 ~~and maintenance, not so terminate while the policy remains in~~
23 ~~force and the dependent remains in such condition, if the~~
24 ~~policyholder has within thirty one days of such dependent's~~
25 ~~attainment of the limiting age submitted proof of such~~
26 ~~dependent's incapacity as described herein. The foregoing~~
27 ~~provisions of this paragraph shall not require an insurer to~~
28 ~~insure a dependent who is a mentally retarded or physically~~
29 ~~handicapped child where the policy is underwritten on evidence~~
30 ~~of insurability based on health factors set forth in the~~

1 application or where such dependent does not satisfy the
2 conditions of the policy as to any requirement for evidence of
3 insurability or other provisions of the policy, satisfaction of
4 which is required for coverage thereunder to take effect. In any
5 such case the terms of the policy shall apply with regard to the
6 coverage or exclusion from coverage of such dependent.

7 * * *

8 Section 2. The act is amended by adding a section to read:

9 Section 617.1. Health Insurance Coverage for Certain
10 Children of Insured Parents. (A) An insurer that issues,
11 delivers, executes or renews health care insurance in this
12 Commonwealth, under which coverage of a child would otherwise
13 terminate at a specified age, shall, at the option of the
14 policyholder's insured employe, provide coverage to a child of
15 an insured employe beyond that specified age, up through and
16 including the age of twenty nine, provided that the child meet
17 all of the following requirements:

18 (1) Is not married.

19 (2) Has no dependents.

20 (3) Is a resident of this Commonwealth or is enrolled as a
21 full time student at an institution of higher education.

22 (4) Is not covered by another policy of health insurance
23 including benefits under Title XVIII of the Social Security Act
24 (49 Stat. 620, 42 U.S.C. § 1395 et seq.).

25 (B) An insured may exercise the option provided under
26 subsection (A) at any time during the term of the policy by
27 notice to the insurer.

28 (C) This section shall not include the following types of
29 insurance or any combination thereof:

30 (1) Hospital indemnity.

1 ~~(2) Accident.~~
2 ~~(3) Specified disease.~~
3 ~~(4) Disability income.~~
4 ~~(5) Dental.~~
5 ~~(6) Vision.~~
6 ~~(7) Civilian Health and Medical Program of the Uniformed~~
7 ~~Services (CHAMPUS) supplement.~~

8 ~~(8) Medicare supplement.~~

9 ~~(9) Long term care.~~

10 ~~(10) Other limited benefit plans.~~

11 ~~(11) Individual health insurance policies.~~

12 ~~(D) For the purpose of this section:~~

13 ~~"Health care insurance" means a group health, sickness or~~
14 ~~accident policy or subscriber contract or certificate issued by~~
15 ~~an entity subject to any one of the following:~~

16 ~~(1) This act.~~

17 ~~(2) The act of December 29, 1972 (P.L.1701, No.364), known~~
18 ~~as the "Health Maintenance Organization Act."~~

19 ~~(3) The act of May 18, 1976 (P.L.123, No.54), known as the~~
20 ~~"Individual Accident and Sickness Insurance Minimum Standards~~
21 ~~Act."~~

22 ~~(4) 40 Pa.C.S. Ch. 61 (relating to hospital plan~~
23 ~~corporations) or 63 (relating to professional health services~~
24 ~~plan corporations).~~

25 ~~(E) Employers shall not be required to contribute to any~~
26 ~~increased premium charged by the insurer for the exercise of the~~
27 ~~option provided under subsection (A), but the contributions may~~
28 ~~be agreed to by the employer.~~

29 ~~Section 3. The amendment or addition of sections 617(A) (3)~~
30 ~~and (9) and 617.1 of the act shall apply to policies offered,~~

1 ~~issued or renewed on or after the effective date of this~~
2 ~~section.~~

3 ~~Section 4. This act shall take effect in 60 days.~~

4 SECTION 1. THE ACT OF MAY 17, 1921 (P.L.682, NO.284), KNOWN ←
5 AS THE INSURANCE COMPANY LAW OF 1921, IS AMENDED BY ADDING A
6 SECTION TO READ:

7 SECTION 635.5. ACCESS TO COMMUNITY PHARMACY SERVICES.--(A)
8 WITH RESPECT TO PRESCRIPTION MEDICATIONS DISPENSED BY A PHARMACY
9 THAT AGREES TO PARTICIPATE IN A PROVIDER NETWORK PURSUANT TO
10 SUBSECTION (C), NO HEALTH INSURANCE POLICY, GOVERNMENT PROGRAM
11 OR PHARMACY BENEFIT MANAGER PROVIDING COVERAGE OR REIMBURSEMENT
12 FOR THE DISPENSING OF PRESCRIPTION MEDICATIONS MAY AS A
13 CONDITION FOR THE PROVISION OF BENEFITS OR FOR THE PAYMENT OF
14 REIMBURSEMENT FOR MEDICATIONS OR PHARMACY SERVICES:

15 (1) REQUIRE A COVERED INDIVIDUAL TO OBTAIN ANY PRESCRIPTION
16 MEDICATION FROM A MAIL ORDER PHARMACY;

17 (2) IMPOSE UPON A COVERED INDIVIDUAL UTILIZING A RETAIL
18 COMMUNITY PHARMACY ANY COPAYMENT, DEDUCTIBLE OR OTHER COST-
19 SHARING REQUIREMENT OR PRIOR AUTHORIZATION REQUIREMENT NOT
20 IMPOSED UPON A COVERED INDIVIDUAL UTILIZING A MAIL ORDER
21 PHARMACY;

22 (3) SUBJECT ANY MEDICATION DISPENSED BY A RETAIL COMMUNITY
23 PHARMACY TO A COVERED INDIVIDUAL TO A MINIMUM OR MAXIMUM
24 QUANTITY LIMIT, LENGTH OF SCRIPT, RESTRICTION ON REFILLS OR
25 REQUIREMENT TO OBTAIN REFILLS NOT IMPOSED UPON A MAIL ORDER
26 PHARMACY;

27 (4) REQUIRE A COVERED INDIVIDUAL IN WHOLE OR IN PART TO PAY
28 FOR ANY MEDICATION DISPENSED BY A RETAIL COMMUNITY PHARMACY AND
29 SEEK REIMBURSEMENT WHEN THE INDIVIDUAL IS NOT REQUIRED TO PAY
30 FOR AND SEEK REIMBURSEMENT IN THE SAME MANNER FOR A PRESCRIPTION

1 DISPENSED BY A MAIL ORDER PHARMACY;

2 (5) SUBJECT A COVERED INDIVIDUAL TO ANY ADMINISTRATIVE
3 REQUIREMENT IN ORDER TO USE A RETAIL COMMUNITY PHARMACY THAT IS
4 NOT IMPOSED UPON THE USE OF A MAIL ORDER PHARMACY, INCLUDING A
5 REQUIREMENT TO ELECT NOT TO HAVE A PRESCRIPTION DISPENSED BY A
6 MAIL ORDER PHARMACY AS A CONDITION OF UTILIZING A RETAIL
7 COMMUNITY PHARMACY; OR

8 (6) IMPOSE ANY OTHER TERM, CONDITION OR REQUIREMENT
9 PERTAINING TO THE USE OF THE SERVICES OF A RETAIL COMMUNITY
10 PHARMACY THAT MATERIALLY AND UNREASONABLY INTERFERES WITH OR
11 IMPAIRS THE RIGHT OF A COVERED INDIVIDUAL TO OBTAIN PRESCRIPTION
12 MEDICATIONS FROM A RETAIL COMMUNITY PHARMACY OF THE INDIVIDUAL'S
13 CHOICE.

14 (B) (1) NO HEALTH INSURANCE COMPANY, AGENT OR CONTRACTOR OF
15 AN INSURANCE COMPANY, GOVERNMENT PROGRAM OR PHARMACY BENEFIT
16 MANAGER SHALL, IN THE ADMINISTRATION OF A HEALTH INSURANCE
17 POLICY OR A PHARMACY PROVIDER NETWORK, TAKE ANY ACTION OR ALLOW
18 ANY ACTION TO OCCUR THAT RESULTS IN ACTIONS PROHIBITED UNDER
19 SUBSECTION (A).

20 (2) WITH RESPECT TO PRESCRIPTION MEDICATIONS DISPENSED BY A
21 PHARMACY ELIGIBLE TO PARTICIPATE IN A PROVIDER NETWORK UNDER
22 SUBSECTION (C), INFORMATION REGARDING THE DISPENSING OF
23 PRESCRIPTION MEDICATIONS BY A PHARMACY SHALL NOT BE USED BY A
24 HEALTH INSURANCE COMPANY, AN AGENT, AFFILIATE OR CONTRACTOR OF
25 AN INSURANCE COMPANY, A GOVERNMENT PROGRAM OR BY A PRESCRIPTION
26 BENEFIT MANAGER TO PROMOTE, ADVERTISE OR ENCOURAGE THE USE OF A
27 PARTICIPATING PHARMACY, INCLUDING A MAIL ORDER PHARMACY.

28 (C) (1) A PHARMACY LICENSED AND IN GOOD STANDING WITH THE
29 STATE BOARD OF PHARMACY, AND NOT DISQUALIFIED FROM PARTICIPATION
30 IN THE MEDICAID OR MEDICARE PROGRAM FOR CAUSE, SHALL HAVE A

1 RIGHT TO PARTICIPATE IN A PHARMACY PROVIDER NETWORK, PROVIDED
2 THE PHARMACY OFFERS TO ENTER INTO AN AGREEMENT ACCEPTING THE
3 STANDARD TERMS, CONDITIONS OR REQUIREMENTS RELATING TO
4 DISPENSING FEES, PAYMENTS FOR PRODUCT COSTS AND OTHER PHARMACY
5 SERVICES AND THE QUALITY OF DISPENSING AND OTHER PHARMACY
6 SERVICES ESTABLISHED BY A HEALTH INSURANCE COMPANY, GOVERNMENT
7 PROGRAM OR PHARMACY BENEFIT MANAGER FOR ALL PHARMACIES IN THE
8 PROVIDER NETWORK.

9 (2) THE STANDARD TERMS AND CONDITIONS RELATING TO DISPENSING
10 FEES AND PAYMENT FOR PRODUCT COSTS AND OTHER PHARMACY SERVICES
11 ESTABLISHED UNDER PARAGRAPH (1) SHALL PROVIDE CONVENIENT ACCESS
12 TO RETAIL COMMUNITY PHARMACIES CONSISTENT WITH THE STANDARDS
13 ESTABLISHED UNDER SECTION 2121 AND TAKING INTO CONSIDERATION THE
14 STANDARDS ESTABLISHED BY THE CENTER FOR MEDICARE AND MEDICAID
15 SERVICES OF THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN
16 SERVICES PURSUANT TO SECTION 1395W-104(B) (1) (C) OF THE SOCIAL
17 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1395W-104(B) (1) (C)).

18 (3) THE STANDARD TERMS AND CONDITIONS RELATING TO DISPENSING
19 FEES, INGREDIENT COSTS AND PAYMENTS FOR PHARMACY SERVICES
20 PROVIDED TO RETAIL COMMUNITY PHARMACIES SHALL NOT BE LESS THAN
21 THE AMOUNTS PAID BY OR FOR THE BENEFIT OF A HEALTH INSURANCE
22 COMPANY, GOVERNMENT PROGRAM OR PHARMACY BENEFIT MANAGER FOR
23 DISPENSING OF THE SAME MEDICATIONS AND THE PROVISION OF
24 COMPARABLE SERVICES TO ANY MAIL ORDER PHARMACY, INCLUDING
25 AMOUNTS PAID OR DISTRIBUTED TO A MAIL ORDER PHARMACY BY AN
26 AFFILIATE OF THE MAIL ORDER PHARMACY OR BY THE PHARMACY BENEFIT
27 MANAGER.

28 (4) IN DETERMINING WHETHER THE TERMS AND CONDITIONS RELATING
29 TO DISPENSING FEES, INGREDIENT COSTS AND PAYMENTS FOR PHARMACY
30 SERVICES ARE NOT LESS THAN AMOUNTS PAID TO A MAIL ORDER PHARMACY

1 UNDER PARAGRAPH (3), CONSIDERATION SHALL BE GIVEN TO THE EXTENT
2 PRACTICABLE TO ANY INCENTIVE PAYMENTS RECEIVED FOR THE
3 DISPENSING OF PRESCRIPTION MEDICATIONS BY A MAIL ORDER PHARMACY
4 OR AN AFFILIATE OF A MAIL ORDER PHARMACY, INCLUDING A PHARMACY
5 BENEFIT MANAGER, FROM A PHARMACEUTICAL MANUFACTURER OR
6 DISTRIBUTOR OTHER THAN AMOUNTS PAID FOR SERVICES PROVIDED TO A
7 PHARMACEUTICAL MANUFACTURER OR DISTRIBUTOR, OR AMOUNTS USED TO
8 REDUCE THE COST OF PRESCRIPTION MEDICATION BENEFITS PAID BY THE
9 PURCHASER OF A HEALTH INSURANCE POLICY OR THE SERVICES OF A
10 PRESCRIPTION DRUG MANAGER, OR BY A GOVERNMENT PROGRAM.

11 (5) A PHARMACY SHALL NOT BE DEEMED TO BE ELIGIBLE TO
12 PARTICIPATE IN A PROVIDER NETWORK UNDER THIS SUBSECTION DURING
13 ANY PERIOD OF TIME FOR WHICH ITS RIGHT TO PARTICIPATE IN A
14 NETWORK HAS BEEN SUSPENDED OR REVOKED FOR SERIOUS VIOLATIONS OF
15 A NETWORK PHARMACY PROVIDER AGREEMENT ESTABLISHED UNDER THIS
16 SUBSECTION THAT REASONABLY WARRANT SUSPENSION OR REVOCATION.

17 (D) (1) WITH RESPECT TO A HEALTH INSURANCE COMPANY OR
18 PHARMACY BENEFIT MANAGER:

19 (I) THE DEPARTMENT MAY UTILIZE THE ENFORCEMENT MECHANISMS,
20 REMEDIES AND PENALTIES AVAILABLE UNDER SECTION 628 AND MAY
21 DEMAND THE PRODUCTION OF ANY INFORMATION NECESSARY TO ENFORCE
22 THIS SECTION; AND

23 (II) REGARDLESS OF WHETHER ANY ENFORCEMENT ACTION IS TAKEN
24 BY THE DEPARTMENT, A COVERED INDIVIDUAL, PHARMACY OR PHARMACIST
25 AGGRIEVED BY A VIOLATION OF THIS SECTION MAY SEEK RELIEF TO
26 REMEDY ALLEGED VIOLATIONS OF THIS SECTION INVOLVING AT LEAST ONE
27 LEVEL OF INTERNAL REVIEW AND INVESTIGATION IN THE MANNER
28 PROVIDED UNDER SECTION 2161(B) AND AN OPPORTUNITY TO APPEAL TO
29 THE DEPARTMENT IN THE MANNER PROVIDED UNDER SECTION 2142 UNLESS,
30 WITH RESPECT TO A PHARMACY OR PHARMACIST, AN AGREEMENT WITH THE

1 INSURANCE COMPANY OR PHARMACY BENEFIT MANAGER ESTABLISHES AN
2 ALTERNATIVE DISPUTE RESOLUTION PROCESS IN THE MANNER PROVIDED
3 UNDER SECTION 2162(F).

4 (2) A COVERED INDIVIDUAL, PHARMACY OR PHARMACIST AGGRIEVED
5 BY A VIOLATION OF THIS SECTION MAY PETITION THE DEPARTMENT TO
6 REVIEW COMPLAINTS REGARDING VIOLATIONS OF THIS SECTION.

7 (E) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS
8 SECTION AND THE OTHER PROVISIONS OF ARTICLES VI, VI-A, VI-B, X-A
9 AND XII RELATING TO HEALTH INSURANCE SHALL, AS APPLIED TO
10 PERSONS SUBJECT TO THIS ACT TO THE FULLEST EXTENT POSSIBLE, BE
11 PRESERVED FROM PREEMPTION BY FEDERAL LAW. IN THE EVENT ANY
12 PORTION OF THIS SECTION OR ARTICLE VI, VI-A, VI-B, X-A OR XII
13 SHALL BE PREEMPTED BY FEDERAL LAW OR OTHERWISE DECLARED INVALID
14 OR UNENFORCEABLE, THE REMAINING PROVISIONS OF SUCH LAWS SHALL
15 REMAIN IN FORCE AND EFFECT.

16 (F) AS USED IN THIS SECTION:

17 (1) "COVERED INDIVIDUAL" MEANS AN INDIVIDUAL RECEIVING
18 PRESCRIPTION MEDICATION COVERAGE OR REIMBURSEMENT PROVIDED BY A
19 HEALTH INSURANCE POLICY, GOVERNMENT PROGRAM OR PHARMACY BENEFIT
20 MANAGER.

21 (2) "GOVERNMENT PROGRAM" MEANS ANY OF THE FOLLOWING:

22 (I) THE COMMONWEALTH'S MEDICAL ASSISTANCE PROGRAM
23 ESTABLISHED UNDER THE ACT OF JUNE 13, 1967 (P.L.31, NO.21),
24 KNOWN AS THE "PUBLIC WELFARE CODE."

25 (II) THE ADULT BASIC COVERAGE INSURANCE PROGRAM ESTABLISHED
26 UNDER CHAPTER 13 OF THE ACT OF JUNE 26, 2001 (P.L.755, NO.77),
27 KNOWN AS THE "TOBACCO SETTLEMENT ACT."

28 (III) THE CHILDREN'S HEALTH CARE PROGRAM ESTABLISHED UNDER
29 ARTICLE XXIII.

30 (IV) THE PROGRAM OF PHARMACEUTICAL ASSISTANCE FOR THE

1 ELDERLY ESTABLISHED BY THE ACT OF AUGUST 26, 1971 (P.L.351,
2 NO.91), KNOWN AS THE "STATE LOTTERY LAW."

3 (V) AN EMPLOYEE BENEFIT PLAN DESCRIBED IN SECTION 1003(B)(1)
4 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (PUBLIC
5 LAW 93-46, 29 U.S.C. § 1003(B)(1)), APPLICABLE TO GOVERNMENT
6 EMPLOYEES WHO ARE RESIDENTS OF THIS COMMONWEALTH.

7 (VI) ANY OTHER PROGRAM ESTABLISHED OR OPERATED BY THE
8 COMMONWEALTH THAT PROVIDES OR PAYS FOR THE COST OF PRESCRIPTION
9 MEDICATIONS AND PHARMACY SERVICES PROVIDED TO RESIDENTS OF THIS
10 COMMONWEALTH.

11 (3) "HEALTH INSURANCE COMPANY" MEANS A FRATERNAL BENEFIT
12 SOCIETY, HEALTH MAINTENANCE ORGANIZATION, HOSPITAL PLAN
13 CORPORATION, INSURER, PREFERRED PROVIDER ORGANIZATION OR
14 PROFESSIONAL HEALTH SERVICES PLAN CORPORATION AS DEFINED BY
15 SECTION 603-B, OR OTHER ENTITY SUBJECT TO THIS ACT.

16 (4) "HEALTH INSURANCE POLICY" MEANS A GROUP OR INDIVIDUAL
17 HEALTH OR SICKNESS OR ACCIDENT INSURANCE POLICY, SUBSCRIBER
18 CONTRACT OR CERTIFICATE ISSUED BY A HEALTH INSURANCE COMPANY
19 PROVIDING COVERAGE OR BENEFITS FOR PRESCRIPTION MEDICATIONS TO
20 RESIDENTS OF THIS COMMONWEALTH.

21 (5) "MAIL ORDER PHARMACY" MEANS A PHARMACY THAT
22 PREDOMINANTLY RECEIVES PRESCRIPTIONS BY MAIL, TELEFAX OR THROUGH
23 ELECTRONIC SUBMISSIONS AND PREDOMINANTLY DISPENSES THE
24 MEDICATIONS TO PATIENTS THROUGH THE USE OF THE UNITED STATES
25 MAIL OR OTHER COMMON OR CONTRACT CARRIER DELIVERY SERVICE AND
26 GENERALLY PROVIDES CONSULTATIONS WITH PATIENTS ELECTRONICALLY
27 RATHER THAN FACE-TO-FACE.

28 (6) "PHARMACY BENEFIT MANAGER" MEANS A PERSON, PARTNERSHIP,
29 ASSOCIATION OR CORPORATION NOT HOLDING A CERTIFICATE OF
30 AUTHORITY UNDER SECTION 630 THAT ESTABLISHES, OPERATES,

1 MAINTAINS OR ADMINISTERS AGREEMENTS WITH PHARMACIES AND HEALTH
2 INSURANCE COMPANIES, GOVERNMENT PROGRAMS OR EMPLOYEE BENEFIT
3 PLANS DESCRIBED IN SECTION 1003(A) OF THE EMPLOYEE RETIREMENT
4 INCOME SECURITY ACT OF 1974 RELATING TO THE DISPENSING OF
5 PRESCRIPTION MEDICATIONS AND THE PROVISION OF PHARMACY SERVICES
6 TO COVERED INDIVIDUALS, INCLUDING AGREEMENTS RELATING TO THE
7 AMOUNTS TO BE CHARGED BY THE PHARMACY FOR SERVICES RENDERED,
8 INCENTIVES PROVIDED TO COVERED INDIVIDUALS TO USE THE SERVICES
9 OF DESIGNATED PHARMACIES, OR LIMITATIONS ON REIMBURSEMENT ONLY
10 WHEN SERVICES ARE PROVIDED BY DESIGNATED PHARMACIES.

11 (7) "RETAIL COMMUNITY PHARMACY" MEANS A PHARMACY THAT IS
12 OPEN TO THE PUBLIC, SERVES WALK-IN CUSTOMERS AND MAKES AVAILABLE
13 FACE-TO-FACE CONSULTATIONS BETWEEN LICENSED PHARMACISTS AND
14 PERSONS TO WHOM MEDICATIONS ARE DISPENSED.

15 SECTION 2. THE INSURANCE DEPARTMENT MAY ADOPT REGULATIONS TO
16 ADMINISTER AND ENFORCE SECTION 635.5 OF THE ACT.

17 SECTION 3. SECTION 635.5 OF THE ACT SHALL APPLY TO HEALTH
18 INSURANCE POLICIES, GOVERNMENT PROGRAMS AND AGREEMENTS WITH
19 PHARMACY BENEFIT MANAGERS THAT ARE OFFERED, ISSUED, EXECUTED OR
20 RENEWED OR THAT HAVE PROVISIONS RELATED TO PRESCRIPTION
21 MEDICATION BENEFITS THAT ARE AMENDED ON OR AFTER THE EFFECTIVE
22 DATE OF SECTION 635.5 OF THE ACT.

23 SECTION 4. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

24 (1) THE ADDITION OF SECTION 635.5 OF THE ACT SHALL TAKE
25 EFFECT IN 120 DAYS.

26 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
27 IMMEDIATELY.