

State Corporation Commission

2001 Fiscal Impact Statement

1. **Bill Number** HB2704

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Watts

3. **Committee** Corporations, Insurance & Banking

4. **Title** Health services plans, licensed pharmacists.

5. **Summary/Purpose:** Requires accident and sickness policies and health insurance plans that cover reimbursement for any service that a licensed pharmacist can provide to reimburse the pharmacist. The bill specifically includes administering vaccines or the pharmacist must be acting under the terms of a collaborative practice agreement with a physician. Reimbursement for the pharmacists acting under a collaborative agreement must be limited to treatment for which there is a disease-state treatment protocol that is clinically accepted as the standard of care or has been approved by the Informal Conference Committee of the Board of Medicine and the Board of Pharmacy. Reimbursement under the bill is not subject to the freedom of choice provisions in §38.2-4209.1 or §38.2-4312.1.

6. **No Fiscal Impact**

7. **Budget amendment necessary:** No

8. **Fiscal implications:** None

9. **Specific agency or political subdivisions affected:** State Corporation Commission
Bureau of Insurance

10. **Technical amendment necessary:** The staff of the Bureau of Insurance offered four technical comments to Delegate Watts on HB 2704. First, the Bureau staff found no definition in the Code of Virginia or the Virginia Administrative Code for the term "disease-state treatment protocol." The Bureau would find it difficult to implement and enforce this provision without a definition in the Code and suggested that such a definition be placed in the statute. Second, House Bill 2704 also cross-references a provision in Title 54.1 that includes a sunset provision set to expire in 2004. If this occurs, this would certainly impact the sections being created in Title 38.2. The Bureau recommended that the patron consider adding a similar sunset provision to Title 38.2. Third, the bill also contains an inconsistency, in that the word "pharmacist" is added to the list of mandated providers applicable to health services plans (§ 38.2-4221 A), but a similar change is not made in the list of mandated providers applicable to commercial plans (§ 38.2-3408). The Bureau staff recommended that the word "pharmacist" be removed from § 38.2-4221 A. The specific benefit is already provided in new subsection B, and Bureau staff assumed that it was not the patron's intention that pharmacists be reimbursed for all covered services, but only for

those specified in subsection B. Finally, new § 38.2-3408 B, on Page 1, Line 29, includes references to §§ 38.2-4209.1 and 38.2-4312.1. Bureau staff suggested that since § 38.2-3408 does not apply to health services plans or HMOs, these cross-references are incorrect. Instead, the reference on Line 29 should be to §38.2-3407.7, which is the pharmacy “freedom of choice” statute applicable, replacing the incorrect references to § 38.2-4209.1 and § 38.2-4312.1. Similarly, pharmacists are completely covered under the HMO law. It does not, therefore, appear that the limitation regarding “freedom of choice” is necessary, and the reference to § 38.2-4312.1 appearing on Line 51 of the bill should be removed.

11. Other comments: The Special Advisory Commission on Mandated Benefits reviewed this issue in 2000. House Bill 1050 was introduced by former Delegate Eric Cantor. The Advisory Commission voted not to recommend enactment of an amended version of HB 1050 on December 14, 2000. The vote was 4 to 3 with one abstention. The language in the amended bill the Advisory Commission voted on is very similar, but not identical, to HB 2704.

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Analyst: Van Tompkins (804) 371-9802

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