



Ninety – Sixth Legislature – Second Session – 2000
Introducer's Statement of Intent
LB 1402

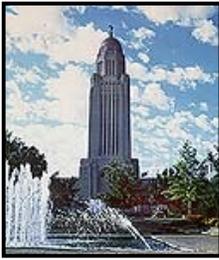
Chairperson: Senator David M. Landis
Committee: Banking, Commerce and Insurance
Date of Hearing: 2/8/00

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The National Association of Chain Drugstores, The American Pharmaceutical Association and the National Community Pharmacist Association have developed model legislation to mandate the use of uniform prescription drug card for processing insurance claims. LB 1402 is patterned after this model legislation. The measure is designed to address problems that result under the current system in which insurers use virtually thousands of different benefit cards, creating difficulties for both patients and pharmacists. It is estimated that 68% of a pharmacist's time is spent dealing with issues unrelated to patient care, with nearly 20% of their time spent acting as intermediaries between the patient and their insurance company. LB 1402 is designed to allow a pharmacist to better spend his or her time applying skills to improve patient outcomes, rather than processing insurance claims.

The provisions of LB 1402, effective January 1, 2001, would require all health insurance benefit plans which provide coverage for prescription drugs and devices to provide their insureds with a card or other technology containing uniform prescription drug information. This "uniform prescription drug card" would be required to be in a format approved by the National Council for Prescription Drug Programs or recommended by a national association and approved by the Director of Insurance. The "uniform prescription drug card" would be required to be issued by an insurer upon enrollment of an insured in a health benefit plan and reissued in the event that changes in the insured's coverage impacts data contained on the original card. In addition, the bill exempts the following types of insurance coverage from the "uniform prescription drug card" requirements:

- (a) Coverage only for accident or disability income insurance, or any combination thereof;
- (b) Credit-only insurance;
- (c) Coverage for specified disease or illness;
- (d) Limited-scope dental or vision benefits;
- (e) Coverage issued as a supplement to liability insurance;
- (f) Automobile medical payment insurance or homeowners medical payment insurance;
- (g) Insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability policy or equivalent self-insurance coverage; and



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(h) Hospital indemnity or other fixed indemnity insurance.

Principal Introducer:

_____ **Senator Ardyce L. Bohlke**