

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1495**  
**95TH GENERAL ASSEMBLY**

3249L.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 354.535 and 374.184, RSMo, and to enact in lieu thereof four new sections relating to health insurance.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 354.535 and 374.184, RSMo, are repealed and four new sections  
2 enacted in lieu thereof, to be known as sections 208.024, 354.535, 374.184, and 376.387, to read  
3 as follows:

**208.024. 1. By September 30, 2010, the department of social services shall develop,**  
2 **distribute to its staff, implement, and begin enforcement of a policy that any department**  
3 **employee who fails to report the suspected illegal use of a controlled substance or the**  
4 **suspected fraudulent reporting of total household size or income under a public assistance**  
5 **program administered by the department, including but not limited to the temporary**  
6 **assistance for needy families program, by any recipient or potential recipient shall be**  
7 **subject to immediate termination of employment.**  
8 **2. No department supervisor or individual with authority to hire or fire employees**  
9 **shall use or threaten to use his or her supervisory authority to knowingly discriminate**  
10 **against, dismiss, penalize, or in any way retaliate against or harass an employee because**  
11 **such employee in good faith reported or disclosed information under subsection 1 of this**  
12 **section, or in any way attempt to dissuade, prevent, or interfere with an employee who**  
13 **wishes to report or disclose such information.**

354.535. 1. If a pharmacy, operated by or contracted with by a health maintenance  
2 organization, is closed or is unable to provide health care services to an enrollee in an  
3 emergency, a pharmacist may take an assignment of such enrollee's right to reimbursement, if  
4 the policy or contract provides for such reimbursement, for those goods or services provided to

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

5 an enrollee of a health maintenance organization. No health maintenance organization shall  
6 refuse to pay the pharmacist any payment due the enrollee under the terms of the policy or  
7 contract.

8 2. No health maintenance organization, conducting business in the state of Missouri,  
9 shall contract with a pharmacy, pharmacy distributor or wholesale drug distributor, nonresident  
10 or otherwise, unless such pharmacy or distributor has been granted a permit or license from the  
11 Missouri board of pharmacy to operate in this state.

12 3. Every health maintenance organization shall apply the same coinsurance, co-payment  
13 and deductible factors to all drug prescriptions filled by a pharmacy provider who participates  
14 in the health maintenance organization's network if the provider meets the contract's explicit  
15 product cost determination. If any such contract is rejected by any pharmacy provider, the health  
16 maintenance organization may offer other contracts necessary to comply with any network  
17 adequacy provisions of this act. However, nothing in this section shall be construed to prohibit  
18 the health maintenance organization from applying different coinsurance, co-payment and  
19 deductible factors between generic and brand name drugs.

20 4. **If the co-payment applied by a health maintenance organization exceeds the**  
21 **usual and customary retail price of the prescription drug, enrollees shall only be required**  
22 **to pay the usual and customary retail price of the prescription drug, and no further charge**  
23 **to the enrollee or plan sponsor shall be incurred on such prescription.**

24 5. Health maintenance organizations shall not set a limit on the quantity of drugs which  
25 an enrollee may obtain at any one time with a prescription, unless such limit is applied uniformly  
26 to all pharmacy providers in the health maintenance organization's network.

27 [5.] 6. Health maintenance organizations shall not insist or mandate any physician or  
28 other licensed health care practitioner to change an enrollee's maintenance drug unless the  
29 provider and enrollee agree to such change. For the purposes of this provision, a maintenance  
30 drug shall mean a drug prescribed by a practitioner who is licensed to prescribe drugs, used to  
31 treat a medical condition for a period greater than thirty days. Violations of this provision shall  
32 be subject to the penalties provided in section 354.444. Notwithstanding other provisions of law  
33 to the contrary, health maintenance organizations that change an enrollee's maintenance drug  
34 without the consent of the provider and enrollee shall be liable for any damages resulting from  
35 such change. Nothing in this subsection, however, shall apply to the dispensing of generically  
36 equivalent products for prescribed brand name maintenance drugs as set forth in section 338.056,  
37 RSMo.

374.184. 1. The director of the department of insurance, financial institutions and  
2 professional registration shall prescribe by rule[,];

3           (1) After due consultation with providers of health care or treatment and their respective  
4     licensing boards, [accident and sickness insurers, health services corporations and health  
5     maintenance organizations,] and after a public hearing, uniform claim forms for reporting by  
6     health care providers. Such prescribed forms shall include but need not be limited to information  
7     regarding the medical diagnosis, treatment and prognosis of the patient, together with the details  
8     of charges incident to the providing of such care, treatment or services, sufficient for the purpose  
9     of meeting the proof requirements of an accident and sickness insurance or hospital, medical or  
10    dental services contract. Such prescribed forms shall be based upon the UB-82 form, with  
11    respect to hospital claims, and the HCFA 1500 form, with respect to physician claims, as such  
12    forms are modified or amended from time to time by the National Uniform Billing Committee  
13    or the federal Health Care Financing Administration; **and**

14           **(2) After due consultation with accident and sickness insurers, health services**  
15    **corporations, health maintenance organizations, and insurance producers, and after a**  
16    **public hearing, uniform application forms for group health insurance policies other than**  
17    **those under a group health plan for small employers governed by sections 379.930 to**  
18    **379.952.**

19           2. The adoption of any uniform claim forms **or uniform application forms** by the  
20    director pursuant to this section shall not preclude an insurer, health services corporation, or  
21    health maintenance organization from requesting any necessary additional information in  
22    connection with a claims investigation from the claimant, provider of health care or treatment,  
23    or certifier of coverage, **or in connection with an application for insurance from the**  
24    **applicant.** The provisions of this section shall not be deemed or construed to apply to electronic  
25    claims submission. Insurers and providers may by contract provide for modifications to the  
26    uniform billing document where both insurers and providers feel that such modifications  
27    streamline claims processing procedures relating to the claims of the insurer involved in such  
28    contract modification. However, a refusal by the provider to agree to modification of the  
29    uniform billing format shall not be used by the insurer as grounds for refusing to enter into a  
30    contract with the provider for reimbursement or payment for health services rendered to an  
31    insured of the insurer.

32           3. Rules adopted or promulgated pursuant to this act shall be subject to notice and  
33    hearing as provided in chapter 536, RSMo. The regulations so adopted shall specify an effective  
34    date, which shall not be less than one hundred eighty days after the date of adoption, after which  
35    no accident and sickness insurer, health services corporation or health maintenance organization  
36    shall require providers of health care or treatment to complete forms differing from those  
37    prescribed by the director pursuant to this section, [and] after which no health care provider shall  
38    submit claims except upon such prescribed forms; provided that the provisions of this section

39 shall not preclude the use by any insurer, health services corporation or health maintenance  
40 organization of the UB-82 form or the HCFA 1500 form, **and after which no insurer shall**  
41 **require applicants for insurance coverage to complete forms differing from those**  
42 **prescribed by the director under this section.**

**376.387. If the co-payment for prescription drugs applied by a health insurer or**  
2 **health carrier, as defined in section 376.1350, exceeds the usual and customary retail price**  
3 **of the prescription drug, enrollees shall only be required to pay the usual and customary**  
4 **retail price of the prescription drug, and no further charge to the enrollee or plan sponsor**  
5 **shall be incurred on such prescription.**

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