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## DRUG FORMULARIES

### House Bill 4479

**Sponsor: Rep. Gary Woronchak**

### House Bill 4480

**Sponsor: Rep. Gene DeRossett**

### House Bill 4481

**Sponsor: Rep. Stephen Ehardt**

**Committee: Health Policy**

**Complete to 4-20-99**

## A SUMMARY OF HOUSE BILLS 4479-4481 AS INTRODUCED 4-15-99

The bills, in general, would require health insurers that provide prescription drug coverage, but that limit the prescription benefits to those drugs included in a drug formulary (a set of preapproved drugs), to do the following:

-- Ensure participation of participating and affiliated physicians and pharmacists in the development of the formulary.

-- Disclose to health care providers and health professionals, and to members and enrollees upon request, the nature of the formulary restrictions.

-- When a nonformulary alternative is medically indicated, provide for an exception from the restriction. A health insurer would not be prevented from establishing a higher cost-sharing for the nonformulary alternatives.

House Bill 4479 would amend the Nonprofit Health Care Corporation Reform Act (MCL 550.1101 et al.) to apply to group and nongroup certificates of Blue Cross and Blue Shield of Michigan. House Bill 4481 would amend the Insurance Code (MCL 500.100 et al.) to apply to expense-incurred hospital, medical, or surgical policies and certificates of commercial health insurance companies. House Bill 4480 would amend the Public Health Code (MCL 333.1101 et al.) to apply to group and individual contracts of health maintenance organizations (HMOs).

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.