Legislative Analysis

INSURANCE COVERAGE FOR EYEDROPS

House Bill 4451 (H-1) as referred to second committee
Sponsor: Rep. Julie Calley
1st Committee: Health Policy
2nd Committee: Ways and Means
Complete to 5-24-19

BRIEF SUMMARY: House Bill 4451 would add a section to Chapter 34 (Disability Insurance Policies) of the Insurance Code that would prevent an insurer from denying coverage for refill prescription eyedrops if certain provisions applied.

FISCAL IMPACT: House Bill 4451 would not have a significant fiscal impact on any unit of state or local government.

THE APPARENT PROBLEM:

Eyedrops are often prescribed for in-home administration for a variety of conditions—most commonly glaucoma. Invariably, a certain amount of is wasted due to spillage, over-administration, and poor aim. When this occurs, however, a patient may not be able to renew his or her prescription when the supply runs out; instead, the patient may have to wait until the date determined based on administration of the drops under perfect conditions. Instead, the bill would account for imperfect conditions and allow for early refills. Reportedly, 26 states have enacted similar laws.[1]

THE CONTENT OF THE BILL:

House Bill 4451 would add a section to Chapter 34 (Disability Insurance Policies) of the Insurance Code that would prevent an insurer from denying coverage for refill prescription eyedrops if certain provisions applied.

Specifically, an insurer that delivered, issued for delivery, or renewed a health policy covering prescription eyedrops could not deny coverage for a refill of the prescription if <u>all</u> of the following applied:

- For a 30-day supply, a certain amount of time has passed (either the time by which 75% of the prescription should have been used <u>or</u> 23 days since the prescription was dispensed or refilled).
- The ***prescriber*** indicated on the original prescription that additional quantities would be needed.
- The prescription eyedrops prescribed by the prescriber are covered under the health insurance policy.

> ***Prescriber*** is defined in section 17708 of the Public Health Code as a licensed dentist, a licensed doctor of medicine, a licensed doctor of osteopathic medicine and surgery,

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[1] https://www.aao.org/advocacy/eyedrop-refills

a licensed doctor of podiatric medicine and surgery, a licensed optometrist certified under Part 174 to administer and prescribe therapeutic pharmaceutical agents, a licensed veterinarian, or another licensed health professional acting under the delegation and using, recording, or otherwise indicating the name of the delegating licensed doctor of medicine or licensed doctor of osteopathic medicine and surgery.

The bill would apply to health insurance policies delivered, executed, issued, amended, or adjusted in Michigan or covering Michigan residents, beginning 90 days after the bill was enacted.

Proposed MCL 500.3406u

BACKGROUND INFORMATION:

The bill as introduced proposed allowing a person to refill a prescription once enough time has passed that the patient should have used 70% of the units or 21 days since the prescription was dispensed or refilled. The H-1 substitute would revise those numbers to 75% usage or 23 days since the prescription was dispensed or refilled, to align them with the current practice of the state's largest insurer, Blue Cross Blue Shield of Michigan.

POSITIONS:

Representatives of the Michigan Society of Eye Physicians and Surgeons testified in support of the bill. (5-2-19)

The following organizations indicated a neutral position on the bill:
    Blue Cross Blue Shield of Michigan (5-16-19)
    Michigan Association of Health Plans (5-22-19)

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