

2011-2012 Regular Sessions

I N   S E N A T E

(PREFILED)

January 5, 2011

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Introduced by Sens. MAZIARZ, GOLDEN, LITTLE -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to health insurance coverage and to eligibility for employee benefits provided by employee welfare funds

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Subsection (i) of section 3216 of the insurance law is  
2     amended by adding a new paragraph 28 to read as follows:  
3     (28) NO SUCH POLICY SHALL LIMIT BENEFITS OR DENY REIMBURSEMENT FOR  
4     BENEFITS TO ANY INSURED ON THE BASIS THAT THE PHARMACY PROVIDING SUCH  
5     BENEFITS HAS NOT BEEN SPECIFICALLY SELECTED OR APPROVED. IF THE INSURED,  
6     HIS DEPENDENTS OR BOTH RECEIVE SERVICES FROM A PHARMACY OF THEIR OWN  
7     CHOOSING, SUCH INSURED SHALL PAY THE COST OF SUCH PHARMACEUTICAL  
8     PRODUCTS TO THE EXTENT THAT SUCH COST EXCEEDS THE BENEFITS PROVIDED  
9     UNDER THE POLICY WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH  
10    POLICY. NO SUCH POLICY SHALL PROHIBIT A DULY REGISTERED PHARMACY FROM  
11    PROVIDING SERVICES, PROVIDED SUCH PHARMACY AGREES TO PROVIDE SUCH  
12    SERVICES IN ACCORDANCE WITH THE MINIMUM STANDARDS AND CONDITIONS FOR  
13    SIMILAR PROVIDERS THAT HAVE BEEN ESTABLISHED BY SUCH POLICY.  
14    S 2. Subsection (e) of section 3221 of the insurance law is amended by  
15    adding a new paragraph 12 to read as follows:  
16    (12) NO SUCH GROUP OR BLANKET POLICY SHALL LIMIT BENEFITS OR DENY  
17    REIMBURSEMENT FOR BENEFITS TO ANY INSURED ON THE BASIS THAT THE PHARMACY  
18    PROVIDING SUCH BENEFITS HAS NOT BEEN SPECIFICALLY SELECTED OR APPROVED  
19    BY THE GROUP OR BLANKET POLICY. IF THE INSURED, HIS DEPENDENTS OR BOTH  
20    RECEIVE SERVICES FROM A PHARMACY OF THEIR OWN CHOOSING, SUCH INSURED  
21    SHALL PAY THE COST OF SUCH PHARMACEUTICAL PRODUCTS TO THE EXTENT THAT  
22    SUCH COST EXCEEDS THE BENEFITS PROVIDED UNDER THE GROUP OR BLANKET POLI-

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [ ] is old law to be omitted.

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CY WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH GROUP OR BLANKET POLICY. NO SUCH GROUP OR BLANKET POLICY SHALL PROHIBIT A DULY REGISTERED PHARMACY FROM PROVIDING SERVICES, PROVIDED SUCH PHARMACY AGREES TO PROVIDE SUCH SERVICES IN ACCORDANCE WITH THE MINIMUM STANDARDS AND CONDITIONS FOR SIMILAR PROVIDERS THAT HAVE BEEN ESTABLISHED BY SUCH GROUP OR BLANKET POLICY.

S 3. Section 4303 of the insurance law is amended by adding a new subsection (hh) to read as follows:

(HH) NO SUCH POLICY ISSUED BY A THIRD PARTY BENEFIT PROGRAM SHALL LIMIT BENEFITS OR DENY REIMBURSEMENT FOR SERVICES TO ANY INSURED ON THE BASIS THAT THE PHARMACY PROVIDING SUCH BENEFITS HAS NOT BEEN SPECIFICALLY SELECTED OR APPROVED BY THE THIRD PARTY BENEFIT PROGRAM. IF THE INSURED, HIS DEPENDENTS OR BOTH RECEIVE SERVICES FROM A PHARMACY OF THEIR OWN CHOOSING, SUCH INSURED SHALL PAY THE COST OF SUCH TREATMENT TO THE EXTENT THAT SUCH COST EXCEEDS THE BENEFITS PROVIDED UNDER THE POLICY WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH POLICY. NO SUCH THIRD PARTY BENEFIT PROGRAM SHALL PROHIBIT A DULY REGISTERED PHARMACY FROM PROVIDING SERVICES, PROVIDED SUCH PHARMACY AGREES TO PROVIDE SERVICES IN ACCORDANCE WITH THE MINIMUM STANDARDS AND CONDITIONS FOR SIMILAR PROVIDERS THAT HAVE BEEN ESTABLISHED BY SUCH THIRD PARTY BENEFIT PROGRAM.

S 4. Subsection (b) of section 4402 of the insurance law is amended to read as follows:

(b) "Employee benefits" means one or more benefits or services for employees or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care or benefits PROVIDED BY OR PERFORMED BY ANY PHARMACY, benefits in the event of sickness, accident, disability or death, benefits in the event of unemployment, or retirement benefits.

S 5. Subsection (b) of section 4413 of the insurance law is amended by adding a new paragraph 1-a to read as follows:

(1-A) NO SUCH FUND SHALL LIMIT EMPLOYEE BENEFITS OR DENY REIMBURSEMENT FOR EMPLOYEE BENEFITS TO ANY ELIGIBLE EMPLOYEE ON THE BASIS THAT THE PHARMACY PROVIDING SUCH BENEFITS HAS NOT BEEN SPECIFICALLY SELECTED OR APPROVED BY THE WELFARE FUND, THE EMPLOYER OR THE LABOR ORGANIZATION REPRESENTING THE EMPLOYEES ELIGIBLE FOR SUCH EMPLOYEE BENEFITS. IF THE ELIGIBLE EMPLOYEE, HIS DEPENDENTS OR BOTH RECEIVE SERVICES FROM A PHARMACY OF THEIR OWN CHOOSING, SUCH EMPLOYEE SHALL PAY THE COST OF SUCH TREATMENT TO THE EXTENT THAT SUCH COST EXCEEDS THE BENEFITS PROVIDED UNDER THE PLAN WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH PLAN. NO SUCH FUND, EMPLOYER OR LABOR ORGANIZATION SHALL PROHIBIT A DULY REGISTERED PHARMACY FROM PROVIDING EMPLOYEE BENEFITS, PROVIDED SUCH PHARMACY AGREES TO PROVIDE SUCH SERVICES IN ACCORDANCE WITH THE MINIMUM STANDARDS AND CONDITIONS FOR SIMILAR PROVIDERS THAT HAVE BEEN ESTABLISHED BY SUCH FUND, EMPLOYER OR LABOR ORGANIZATION.

S 6. Subsection (b) of section 4301 of the insurance law is amended by adding a new paragraph 4 to read as follows:

(4) IF A CONTRACT ISSUED BY A THIRD PARTY BENEFIT PROGRAM PROVIDES BENEFITS FOR PHARMACY SERVICES, PRESCRIPTION DRUGS OR FOR PARTICIPATION IN A PRESCRIPTION DRUG PLAN, ANY PHARMACY WILLING TO PARTICIPATE UNDER THE TERMS OF THE CONTRACT SHALL NOT BE DENIED ACCESS TO THE PROVIDER PANEL.

S 7. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to all policies and contracts issued, renewed, modified, altered or amended on or after such effective date.