S T A T E O F N E W Y O R K

5918

2009-2010 Regular Sessions

I N A S S E M B L Y

February 23, 2009

Introduced by M. of A. TOWNS, DenDEKKER, RAIA -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to requiring health insurance policies to cover the cost of equipment, supplies and tests for the diagnosis and treatment of thalassemia, or Cooley's anemia, and relating to the medicaid buy-in program for people with thalassemia

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

Section 1. Legislative findings and intent. The legislature finds and declares that the cost of medical care in the United States has steadily risen in the last five years, outpacing both employer wages and inflation. Chronic disease consumes approximately seventy-eight percent of health expenditures. Patients with thalassemia, an inherited blood disorder, require frequent red blood cell transfusions and iron chelation therapy for survival. Patients with thalassemia are the largest chronic consumers of blood in the United States. Patients surveyed in New York state claim their out-of-pocket costs average $555 per month. Eighty-five percent of patients with thalassemia pay between 3 to 5 co-pays per month, with co-pays ranging from $15 to $30 a visit. Nearly fifty percent of patients contributed a portion to their employer's payment of premiums or paid their health insurance premiums outright. Fifty percent of the patients surveyed had deductibles greater than $1,000 that had to be satisfied before coverage began. Patients with thalassemia require numerous prescription drugs, on average between 3 to 4 prescription drugs a month with the average cost to the patient, ranging between $150 to $200 a month. The legislature therefore finds that with new treatments being expensive and for those with 50 percent co-insurance on prescription drugs, with the average cost being $1,500 a month, it would benefit residents of the state to require health insurance policies to cover the cost of equipment, supplies and tests for the

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

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diagnosis and treatment of thalassemia and to create a medicaid buy-in programs for people with thalassemia.

S 2. There shall be a medicaid buy-in program for people with thalassemia. The commissioner of the department of health shall promulgate rules and regulations to determine the criteria for such program. Such rules and regulations shall increase the medicaid buy-in salary level for individuals with thalassemia to account for the increased out-of-pocket costs associated with the disease.

S 3. Subsection (i) of section 3216 of the insurance law is amended by adding a new paragraph 15-b to read as follows:

(15-B) (A) EVERY POLICY WHICH PROVIDES MEDICAL COVERAGE THAT INCLUDES COVERAGE FOR PHYSICIAN SERVICES IN A PHYSICIAN'S OFFICE AND EVERY POLICY WHICH PROVIDES MAJOR MEDICAL OR SIMILAR COMPREHENSIVE-TYPE COVERAGE SHALL INCLUDE COVERAGE FOR ALL EQUIPMENT, SUPPLIES AND TESTS FOR THE DIAGNOSIS AND TREATMENT OF THALASSEMIA, IF RECOMMENDED OR PRESCRIBED BY A PHYSICIAN OR OTHER LICENSED HEALTH CARE PROVIDER LEGALLY AUTHORIZED TO PRESCRIBE UNDER TITLE EIGHT OF THE EDUCATION LAW.

(B) FOR THE PURPOSES OF THIS PARAGRAPH, "THALASSEMIA" SHALL MEAN THE MEDICAL CONDITION KNOWN AS THALASSEMIA MAJOR/INTERMEDIA OR COOLEY'S ANEMIA WHICH IS A FATAL GENETIC BLOOD DISEASE THAT RESULTS IN THE FAILURE TO PRODUCE SUFFICIENT HEMOGLOBIN.

S 4. Subsection (k) of section 3221 of the insurance law is amended by adding a new paragraph 7-a to read as follows:

(7-A)(A) EVERY GROUP OR BLANKET ACCIDENT AND HEALTH INSURANCE POLICY ISSUED OR ISSUED FOR DELIVERY IN THIS STATE WHICH PROVIDES MEDICAL COVERAGE THAT INCLUDES COVERAGE FOR PHYSICIAN SERVICES IN A PHYSICIAN'S OFFICE AND EVERY POLICY WHICH PROVIDES MAJOR MEDICAL OR SIMILAR COMPREHENSIVE-TYPE COVERAGE SHALL INCLUDE COVERAGE FOR ALL EQUIPMENT, SUPPLIES AND TESTS FOR THE DIAGNOSIS AND TREATMENT OF THALASSEMIA. IF RECOMMENDED OR PRESCRIBED BY A PHYSICIAN OR OTHER LICENSED HEALTH CARE PROVIDER LEGALLY AUTHORIZED TO PRESCRIBE UNDER TITLE EIGHT OF THE EDUCATION LAW.

(B) FOR THE PURPOSES OF THIS PARAGRAPH, "THALASSEMIA" SHALL MEAN THE MEDICAL CONDITION KNOWN AS THALASSEMIA MAJOR/INTERMEDIA OR COOLEY'S ANEMIA WHICH IS A FATAL GENETIC BLOOD DISEASE THAT RESULTS IN THE FAILURE TO PRODUCE SUFFICIENT HEMOGLOBIN.

S 5. Section 4303 of the insurance law is amended by adding a new subsection (u-1) to read as follows:

(U-1)(A) A MEDICAL EXPENSE INDEMNITY CORPORATION OR A HEALTH SERVICE CORPORATION WHICH PROVIDES MEDICAL COVERAGE THAT INCLUDES COVERAGE FOR PHYSICIAN SERVICES IN A PHYSICIAN'S OFFICE AND EVERY POLICY WHICH PROVIDES MAJOR MEDICAL OR SIMILAR COMPREHENSIVE-TYPE COVERAGE SHALL INCLUDE COVERAGE FOR ALL EQUIPMENT, SUPPLIES AND TESTS FOR THE DIAGNOSIS AND TREATMENT OF THALASSEMIA, IF RECOMMENDED OR PRESCRIBED BY A PHYSICIAN OR OTHER LICENSED HEALTH CARE PROVIDER LEGALLY AUTHORIZED TO PRESCRIBE UNDER TITLE EIGHT OF THE EDUCATION LAW.

(B) FOR THE PURPOSES OF THIS PARAGRAPH, "THALASSEMIA" SHALL MEAN THE MEDICAL CONDITION KNOWN AS THALASSEMIA MAJOR/INTERMEDIA OR COOLEY'S ANEMIA WHICH IS A FATAL GENETIC BLOOD DISEASE THAT RESULTS IN THE FAILURE TO PRODUCE SUFFICIENT HEMOGLOBIN.

S 6. 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 date.