

1449

2009-2010 Regular Sessions

I N S E N A T E

February 2, 2009

Introduced by Sens. MAZIARZ, GOLDEN, LITTLE, VOLKER -- 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 26 to read as follows:
3 (26) 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-
23 CY WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH GROUP OR BLAN-

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

LBD01163-01-9

1 KET POLICY. NO SUCH GROUP OR BLANKET POLICY SHALL PROHIBIT A DULY REGIS-
2 TERED PHARMACY FROM PROVIDING SERVICES, PROVIDED SUCH PHARMACY AGREES TO
3 PROVIDE SUCH SERVICES IN ACCORDANCE WITH THE MINIMUM STANDARDS AND
4 CONDITIONS FOR SIMILAR PROVIDERS THAT HAVE BEEN ESTABLISHED BY SUCH
5 GROUP OR BLANKET POLICY.

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

8 (FF) NO SUCH POLICY ISSUED BY A THIRD PARTY BENEFIT PROGRAM SHALL
9 LIMIT BENEFITS OR DENY REIMBURSEMENT FOR SERVICES TO ANY INSURED ON THE
10 BASIS THAT THE PHARMACY PROVIDING SUCH BENEFITS HAS NOT BEEN SPECIF-
11 ICALLY SELECTED OR APPROVED BY THE THIRD PARTY BENEFIT PROGRAM. IF THE
12 INSURED, HIS DEPENDENTS OR BOTH RECEIVE SERVICES FROM A PHARMACY OF
13 THEIR OWN CHOOSING, SUCH INSURED SHALL PAY THE COST OF SUCH TREATMENT TO
14 THE EXTENT THAT SUCH COST EXCEEDS THE BENEFITS PROVIDED UNDER THE POLICY
15 WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH POLICY. NO SUCH
16 THIRD PARTY BENEFIT PROGRAM SHALL PROHIBIT A DULY REGISTERED PHARMACY
17 FROM PROVIDING SERVICES, PROVIDED SUCH PHARMACY AGREES TO PROVIDE
18 SERVICES IN ACCORDANCE WITH THE MINIMUM STANDARDS AND CONDITIONS FOR
19 SIMILAR PROVIDERS THAT HAVE BEEN ESTABLISHED BY SUCH THIRD PARTY BENEFIT
20 PROGRAM.

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

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

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

31 (1-A) NO SUCH FUND SHALL LIMIT EMPLOYEE BENEFITS OR DENY REIMBURSEMENT
32 FOR EMPLOYEE BENEFITS TO ANY ELIGIBLE EMPLOYEE ON THE BASIS THAT THE
33 PHARMACY PROVIDING SUCH BENEFITS HAS NOT BEEN SPECIFICALLY SELECTED OR
34 APPROVED BY THE WELFARE FUND, THE EMPLOYER OR THE LABOR ORGANIZATION
35 REPRESENTING THE EMPLOYEES ELIGIBLE FOR SUCH EMPLOYEE BENEFITS. IF THE
36 ELIGIBLE EMPLOYEE, HIS DEPENDENTS OR BOTH RECEIVE SERVICES FROM A PHAR-
37 MACY OF THEIR OWN CHOOSING, SUCH EMPLOYEE SHALL PAY THE COST OF SUCH
38 TREATMENT TO THE EXTENT THAT SUCH COST EXCEEDS THE BENEFITS PROVIDED
39 UNDER THE PLAN WITHOUT FORFEITURE OF THE BENEFITS PROVIDED UNDER SUCH
40 PLAN. NO SUCH FUND, EMPLOYER OR LABOR ORGANIZATION SHALL PROHIBIT A
41 DULY REGISTERED PHARMACY FROM PROVIDING EMPLOYEE BENEFITS, PROVIDED
42 SUCH PHARMACY AGREES TO PROVIDE SUCH SERVICES IN ACCORDANCE WITH THE
43 MINIMUM STANDARDS AND CONDITIONS FOR SIMILAR PROVIDERS THAT HAVE BEEN
44 ESTABLISHED BY SUCH FUND, EMPLOYER OR LABOR ORGANIZATION.

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

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

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