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

4771

2009-2010 Regular Sessions

I N S E N A T E

April 27, 2009

Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law and the labor law, in relation to the purchase of prescription drugs

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

Section 1. Subsection (i) of section 3216 of the insurance law is amended by adding a new paragraph 26 to read as follows:

(26) NO POLICY WHICH PROVIDES COVERAGE FOR PRESCRIBED DRUGS SHALL MANDATE THAT THE SAME BE PURCHASED BY THE INSURED FROM A MAIL ORDER PHARMACY, NOR MAY SUCH POLICY IMPOSE A CO-PAYMENT FEE OR OTHER CONDITION ON ANY INSURED WHO ELECTS TO PURCHASE DRUGS FROM OTHER THAN A MAIL ORDER PHARMACY WHICH IS NOT ALSO IMPOSED ON INSUREDS ELECTING TO PURCHASE DRUGS FROM A DESIGNATED MAIL ORDER PHARMACY.

S 2. Subsection (1) of section 3221 of the insurance law is amended by adding a new paragraph 18 to read as follows:

(18) NO INSURER DELIVERING A GROUP OR BLANKET POLICY OR ISSUING A GROUP OR BLANKET POLICY FOR DELIVERY IN THIS STATE WHICH PROVIDES COVERAGE FOR PRESCRIBED DRUGS SHALL MANDATE THAT THE SAME BE PURCHASED BY THE INSURED FROM A MAIL ORDER PHARMACY, NOR MAY SUCH POLICY IMPOSE A CO-PAYMENT FEE OR OTHER CONDITION ON ANY INSURED WHO ELECTS TO PURCHASE DRUGS FROM OTHER THAN A MAIL ORDER PHARMACY WHICH IS NOT ALSO IMPOSED ON INSUREDS ELECTING TO PURCHASE DRUGS FROM A DESIGNATED MAIL ORDER PHARMACY.

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

(FF) NO POLICY ISSUED BY A MEDICAL EXPENSE INDEMNITY CORPORATION, A HOSPITAL SERVICE CORPORATION OR A HEALTH SERVICES CORPORATION WHICH PROVIDES COVERAGE FOR PRESCRIBED DRUGS SHALL MANDATE THAT THE SAME BE PURCHASED BY THE INSURED FROM A MAIL ORDER PHARMACY, NOR MAY SUCH POLICY IMPOSE A CO-PAYMENT FEE OR OTHER CONDITION ON ANY INSURED WHO ELECTS TO

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

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PURCHASE DRUGS FROM OTHER THAN A MAIL ORDER PHARMACY WHICH IS NOT ALSO IMPOSED ON INSUREDS ELECTING TO PURCHASE DRUGS FROM A DESIGNATED MAIL ORDER PHARMACY.

S 4. The labor law is amended by adding a new section 217-a to read as follows:

S 217-A. MAIL ORDER PRESCRIPTION DRUGS. FOR EMPLOYEES WHO ARE PROVIDED COVERAGE FOR PRESCRIPTION DRUGS UNDER A POLICY SUBJECT TO SECTION THREE THOUSAND TWO HUNDRED SIXTEEN, THREE THOUSAND TWO HUNDRED TWENTY-ONE OR FOUR THOUSAND THREE HUNDRED THREE OF THE INSURANCE LAW, SUCH POLICY SHALL NOT MANDATE THAT PRESCRIPTION DRUGS BE PURCHASED BY THE INSURED FROM A MAIL ORDER PHARMACY, NOR MAY SUCH POLICY IMPOSE A CO-PAYMENT FEE OR OTHER CONDITION ON ANY INSURED WHO ELECTS TO PURCHASE DRUGS FROM OTHER THAN A MAIL ORDER PHARMACY WHICH IS NOT ALSO IMPOSED ON INSUREDS ELECTING TO PURCHASE DRUGS FROM A DESIGNATED MAIL ORDER PHARMACY.

S 5. This act shall take effect on the thirtieth day after 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.