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

5653--A

Cal. No. 895

2009-2010 Regular Sessions

I N A S S E M B L Y

February 17, 2009

Introduced by M. of A. ROSENTHAL, GOTTFRIED, CLARK, ORTIZ, O'DONNELL -- Multi-Sponsored by -- M. of A. BRENNAN, COLTON, COOK, CYMBROWITZ, DelMONTE, DINOWITZ, FIELDS, GALEF, GLICK, GORDON, HOOPER, JACOBS, JOHN, KOON, MAGEE, MAYERSOHN, McENENY, PERRY, PHEFFER, SWEENEY, WEINSTEIN, WEISENBERG -- read once and referred to the Committee on Insurance -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the insurance law, the public health law and the education law, in relation to copayments for prescription drugs

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

Section 1. Subsections (h) and (i) of section 4325 of the insurance law, as relettered by chapter 237 of the laws of 2009, are relettered subsections (i) and (j) and a new subsection (h) is added to read as follows:

(H) NO CORPORATION OR INSURER ORGANIZED OR LICENSED UNDER THIS CHAPTER WHICH PROVIDES COVERAGE FOR PRESCRIPTION DRUGS SHALL REQUIRE, OR ENTER INTO A CONTRACT WHICH PERMITS, A COPAYMENT WHICH EXCEEDS THE USUAL AND CUSTOMARY COST OF SUCH PRESCRIBED DRUG.

S 2. Subdivision 6 of section 4406-c of the public health law is renumbered subdivision 7 and a new subdivision 6 is added to read as follows:

6. NO HEALTH CARE PLAN WHICH PROVIDES COVERAGE FOR PRESCRIPTION DRUGS SHALL REQUIRE, OR ENTER INTO A CONTRACT WHICH PERMITS, A COPAYMENT WHICH EXCEEDS THE USUAL AND CUSTOMARY COST OF SUCH PRESCRIBED DRUG.

S 3. The education law is amended by adding a new section 6826-a to read as follows:

S 6826-A. REDUCING CERTAIN COPAYMENTS. 1. WHERE AN INSURED'S COPAYMENT FOR A DRUG EXCEEDS THE CORRESPONDING RETAIL PRICE FOR THE SAME DRUG ON THE PHARMACY'S DRUG RETAIL PRICE LIST, THE PHARMACIST SHALL NOTIFY THE

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

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INSURED OF THIS OCCURRENCE AND CHARGE NO GREATER THAN THE PHARMACY'S CORRESPONDING RETAIL PRICE.

2. WHERE THE DRUG BEING PURCHASED IS NOT ON THE DRUG RETAIL PRICE LIST, AND THE COPAYMENT FOR THE DRUG EXCEEDS THE PHARMACY'S USUAL AND CUSTOMARY PRICE FOR THAT DRUG, THE PHARMACIST SHALL NOTIFY THE INSURED OF THIS OCCURRENCE AND CHARGE THE LESSER OF THE INSURED'S COPAYMENT AND THE PHARMACY'S USUAL AND CUSTOMARY PRICE FOR THAT DRUG.

S 4. This act shall take effect on the ninetieth day after it shall have become a law; provided, however, that the amendment to subsection (j) of section 4325 of the insurance law made by section one of this act shall not affect the repeal of such subsection and shall expire and be deemed repealed therewith.