

5510

2009-2010 Regular Sessions

I N S E N A T E

May 13, 2009

Introduced by Sen. KLEIN -- 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 coverage for single source drugs

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) EVERY INDIVIDUAL POLICY WHICH PROVIDES COVERAGE FOR PRESCRIPTION
4 DRUGS SHALL ENSURE THAT THERE IS CONTINUOUS COVERAGE OF A SINGLE SOURCE
5 DRUG THAT IS PART OF A PRESCRIBED THERAPY UNTIL SUCH PRESCRIBED THERAPY
6 IS NO LONGER MEDICALLY NECESSARY FOR ANY COVERED PERSON UNDER SUCH POLI-
7 CY. FOR THE PURPOSES OF THIS PARAGRAPH, "DRUG" SHALL MEAN ANY
8 PRESCRIPTION DRUG THAT HAS BEEN APPROVED AS SAFE AND EFFECTIVE BY THE
9 FEDERAL FOOD AND DRUG ADMINISTRATION, OR IS OTHERWISE LEGALLY MARKETED
10 IN THE UNITED STATES INCLUDING ANY MECHANICAL DEVICE THAT IS NEEDED TO
11 APPLY SUCH PRESCRIPTION DRUG SUCH AS INSULIN, SYRINGES AND NEEDLES.

12 S 2. Subsection (k) of section 3221 of the insurance law is amended by
13 adding a new paragraph 15 to read as follows:

14 (15) EVERY GROUP POLICY WHICH PROVIDES COVERAGE FOR PRESCRIPTION DRUGS
15 SHALL ENSURE THAT THERE IS CONTINUOUS COVERAGE OF A SINGLE SOURCE DRUG
16 THAT IS PART OF A PRESCRIBED THERAPY UNTIL SUCH PRESCRIBED THERAPY IS NO
17 LONGER MEDICALLY NECESSARY FOR ANY COVERED PERSON UNDER SUCH POLICY.
18 FOR THE PURPOSES OF THIS PARAGRAPH, "DRUG" SHALL MEAN ANY PRESCRIPTION
19 DRUG THAT HAS BEEN APPROVED AS SAFE AND EFFECTIVE BY THE FEDERAL FOOD
20 AND DRUG ADMINISTRATION, OR IS OTHERWISE LEGALLY MARKETED IN THE UNITED
21 STATES INCLUDING ANY MECHANICAL DEVICE THAT IS NEEDED TO APPLY SUCH
22 PRESCRIPTION DRUG SUCH AS INSULIN, SYRINGES AND NEEDLES.

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

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

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1 (FF) EVERY CONTRACT ISSUED BY A HEALTH SERVICE CORPORATION OR A
2 MEDICAL EXPENSE INDEMNITY CORPORATION WHICH PROVIDES COVERAGE FOR
3 PRESCRIPTION DRUGS SHALL ENSURE THAT THERE IS CONTINUOUS COVERAGE OF A
4 SINGLE SOURCE DRUG THAT IS PART OF A PRESCRIBED THERAPY UNTIL SUCH
5 PRESCRIBED THERAPY IS NO LONGER MEDICALLY NECESSARY FOR ANY COVERED
6 PERSON UNDER SUCH POLICY. FOR THE PURPOSES OF THIS SUBSECTION, "DRUG"
7 SHALL MEAN ANY PRESCRIPTION DRUG THAT HAS BEEN APPROVED AS SAFE AND
8 EFFECTIVE BY THE FEDERAL FOOD AND DRUG ADMINISTRATION, OR IS OTHERWISE
9 LEGALLY MARKETED IN THE UNITED STATES INCLUDING ANY MECHANICAL DEVICE
10 THAT IS NEEDED TO APPLY SUCH PRESCRIPTION DRUG SUCH AS INSULIN, SYRINGES
11 AND NEEDLES.

12 S 4. This act shall take effect on the first of the calendar month
13 next succeeding the sixtieth day after it shall have become a law, and
14 shall apply only to policies and contracts issued, renewed or amended on
15 or after the effective date of this act.