

3718

2011-2012 Regular Sessions

I N A S S E M B L Y

January 26, 2011

Introduced by M. of A. P. RIVERA, COLTON, CLARK, COOK, PEOPLES-STOKES,  
MILLMAN -- Multi-Sponsored by -- M. of A. BRENNAN, CUSICK, FARRELL,  
GLICK -- read once and referred 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 ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subsection (i) of section 3216 of the insurance law is  
2 amended by adding a new paragraph 28 to read as follows:  
3 (28) 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 17 to read as follows:  
14 (17) 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 (hh) to read as follows:

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

LBD00411-01-1

1 (HH) 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.