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

8904

I N A S S E M B L Y

(PREFILED)

January 4, 2012

Introduced by M. of A. HEASTIE, COLTON -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance 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. Paragraph 28 of subsection (i) of section 3216 of the insurance law, as added by chapter 597 of the laws of 2011, is amended to read as follows:

(28) Any policy [which] THAT provides coverage for prescription drugs shall permit each [participant] INSURED to fill any [mail order] covered prescription THAT MAY BE OBTAINED AT A NETWORK PARTICIPATING MAIL ORDER OR OTHER NON-RETAIL PHARMACY, at [his or her] THE INSURED'S option, at [any mail order pharmacy or] A network participating non-mail order retail pharmacy [if the network participating non-mail order retail pharmacy offers to accept a price that is comparable to that of the mail order pharmacy] PROVIDED THAT THE NETWORK PARTICIPATING NON-MAIL ORDER RETAIL PHARMACY AGREES IN ADVANCE, THROUGH A CONTRACTUAL NETWORK AGREEMENT, TO THE SAME REIMBURSEMENT AMOUNT, AS WELL AS THE SAME APPLICABLE TERMS AND CONDITIONS, THAT THE INSURER HAS ESTABLISHED FOR THE NETWORK PARTICIPATING MAIL ORDER OR OTHER NON-RETAIL PHARMACY. [Any policy which provides coverage for prescription drugs] IN SUCH A CASE, THE POLICY shall not impose a co-payment fee or other condition on any insured who elects to purchase PRESCRIPTION drugs from a network participating non-mail order retail pharmacy which is not also imposed on insureds electing to purchase drugs from a [designated] NETWORK PARTICIPATING mail order OR OTHER NON-RETAIL pharmacy[; provided, however, that the provisions of this section shall not supersede the terms of a collective bargaining agreement or apply to a policy that is the result of a collective bargaining agreement between an employer and a recognized or certified employee organization].

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

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S 2. Paragraph 18 of subsection (1) of section 3221 of the insurance law, as added by chapter 597 of the laws of 2011, is amended to read as follows:

(18) Any insurer delivering a group or blanket policy or issuing a group or blanket policy for delivery in this state [which] THAT provides coverage for prescription drugs shall permit each [participant] INSURED to fill any [mail order] covered prescription THAT MAY BE OBTAINED AT A NETWORK PARTICIPATING MAIL ORDER OR OTHER NON-RETAIL PHARMACY, at [his or her] THE INSURED'S option, at [any mail order pharmacy or] A network participating non-mail order retail pharmacy [if the network participating non-mail order retail pharmacy offers to accept a price that is comparable to that of the mail order pharmacy] PROVIDED THAT THE NETWORK PARTICIPATING NON-MAIL ORDER RETAIL PHARMACY AGREES IN ADVANCE, THROUGH A CONTRACTUAL NETWORK AGREEMENT, TO THE SAME REIMBURSEMENT AMOUNT, AS WELL AS THE SAME APPLICABLE TERMS AND CONDITIONS, THAT THE INSURER HAS ESTABLISHED FOR THE NETWORK PARTICIPATING MAIL ORDER OR OTHER NON-RETAIL PHARMACY. [Any policy which provides coverage for prescription drugs] IN SUCH A CASE, THE POLICY shall not impose a co-payment fee or other condition on any insured who elects to purchase drugs from a network participating non-mail order retail pharmacy which is not also imposed on insureds electing to purchase drugs from a [designated] NETWORK PARTICIPATING mail order OR OTHER NON-RETAIL pharmacy; provided, however, that the provisions of this section shall not supersede the terms of a collective bargaining agreement or apply to a policy that is the result of a collective bargaining agreement between an employer and a recognized or certified employee organization.

S 3. Subsection (hh) of section 4303 of the insurance law, as added by chapter 597 of the laws of 2011, is amended to read as follows:

(hh) Any [policy] CONTRACT issued by a medical expense indemnity corporation, a hospital service corporation or a health services corporation [which] THAT provides coverage for prescription drugs shall permit each [participant] COVERED PERSON to fill any [mail order] covered prescription THAT MAY BE OBTAINED AT A NETWORK PARTICIPATING MAIL ORDER OR OTHER NON-RETAIL PHARMACY, at [his or her] THE COVERED PERSON'S option, at [any mail order pharmacy or] A network participating non-mail order retail pharmacy [if the network participating non-mail order retail pharmacy offers to accept a price that is comparable to that of the mail order pharmacy] PROVIDED THAT THE NETWORK PARTICIPATING NON-MAIL ORDER RETAIL PHARMACY AGREES IN ADVANCE, THROUGH A CONTRACTUAL NETWORK AGREEMENT, TO THE SAME REIMBURSEMENT AMOUNT, AS WELL AS THE SAME APPLICABLE TERMS AND CONDITIONS, THAT THE CORPORATION HAS ESTABLISHED FOR THE NETWORK PARTICIPATING MAIL ORDER OR OTHER NON-RETAIL PHARMACY. [Any policy which provides coverage for prescription drugs] IN SUCH A CASE, THE CONTRACT shall not impose a copayment fee or other condition on any [insured] COVERED PERSON who elects to purchase drugs from a network participating non-mail order retail pharmacy which is not also imposed on [insureds] COVERED PERSONS electing to purchase drugs from a [designated] NETWORK PARTICIPATING mail order OR OTHER NON-RETAIL pharmacy; provided, however, that the provisions of this section shall not supersede the terms of a collective bargaining agreement or apply to a [policy] CONTRACT that is the result of a collective bargaining agreement between an employer and a recognized or certified employee organization.

S 4. This act shall take effect on the same date and in the same manner as chapter 597 of the laws of 2011, takes effect.