

STATE OF NEW YORK

2305

2019-2020 Regular Sessions

IN SENATE

January 24, 2019

Introduced by Sen. BAILEY -- 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 requiring certain health insurance policies to include coverage for the cost of certain infant and baby formulas

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph 21 of subsection (i) of section 3216 of the
2 insurance law, as amended by chapter 469 of the laws of 2018, is amended
3 to read as follows:

4 (21) Every policy which provides coverage for prescription drugs shall
5 include coverage for the cost of enteral, infant and baby formulas for
6 home use, whether administered orally or via tube feeding, for which a
7 physician or other licensed health care provider legally authorized to
8 prescribe under title eight of the education law has issued a written
9 order. Such written order shall state that the enteral, infant and baby
10 formula is clearly medically necessary and has been proven effective as
11 a disease-specific treatment regimen. Specific diseases and disorders
12 for which enteral, infant and baby formulas have been proven effective
13 shall include, but are not limited to, inherited diseases of amino acid
14 or organic acid metabolism; Crohn's Disease; gastroesophageal reflux;
15 disorders of gastrointestinal motility such as chronic intestinal pseu-
16 do-obstruction; and multiple, severe food allergies including, but not
17 limited to immunoglobulin E and nonimmunoglobulin E-mediated allergies
18 to multiple food proteins; severe food protein induced enterocolitis
19 syndrome; eosinophilic disorders; and impaired absorption of nutrients
20 caused by disorders affecting the absorptive surface, function, length,
21 and motility of the gastrointestinal tract. Enteral, infant and baby
22 formulas which are medically necessary and taken under written order
23 from a physician for the treatment of specific diseases shall be distin-
24 guished from nutritional supplements taken electively. Coverage for

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

LBD05414-02-9

1 certain inherited diseases of amino acid and organic acid metabolism as
2 well as severe protein allergic conditions shall include modified solid
3 food products that are low protein or which contain modified protein, or
4 are amino acid based which are medically necessary, and such coverage
5 for such modified solid food products for any calendar year or for any
6 continuous period of twelve months for any insured individual shall not
7 exceed two thousand five hundred dollars. Coverage for infant and baby
8 formulas for any calendar year or any continuous period of twelve months
9 for any insured individual shall be no less than three thousand dollars.

10 § 2. Paragraph 11 of subsection (k) of section 3221 of the insurance
11 law, as amended by chapter 469 of the laws of 2018, is amended to read
12 as follows:

13 (11) Every policy which provides coverage for prescription drugs shall
14 include coverage for the cost of enteral, infant and baby formulas for
15 home use, whether administered orally or via tube feeding, for which a
16 physician or other licensed health care provider legally authorized to
17 prescribe under title eight of the education law has issued a written
18 order. Such written order shall state that the enteral, infant and baby
19 formula is clearly medically necessary and has been proven effective as
20 a disease-specific treatment regimen. Specific diseases and disorders
21 for which enteral, infant and baby formulas have been proven effective
22 shall include, but are not limited to, inherited diseases of amino-acid
23 or organic acid metabolism; Crohn's Disease; gastroesophageal reflux;
24 disorders of gastrointestinal motility such as chronic intestinal pseu-
25 do-obstruction; and multiple, severe food allergies including, but not
26 limited to immunoglobulin E and nonimmunoglobulin E-mediated allergies
27 to multiple food proteins; severe food protein induced enterocolitis
28 syndrome; eosinophilic disorders and impaired absorption of nutrients
29 caused by disorders affecting the absorptive surface, function, length,
30 and motility of the gastrointestinal tract. Enteral, infant and baby
31 formulas which are medically necessary and taken under written order
32 from a physician for the treatment of specific diseases shall be distin-
33 guished from nutritional supplements taken electively. Coverage for
34 certain inherited diseases of amino acid and organic acid metabolism as
35 well as severe protein allergic conditions shall include modified solid
36 food products that are low protein or which contain modified protein, or
37 are amino acid based which are medically necessary, and such coverage
38 for such modified solid food products for any calendar year or for any
39 continuous period of twelve months for any insured individual shall not
40 exceed two thousand five hundred dollars. Coverage for infant and baby
41 formulas for any calendar year or any continuous period of twelve months
42 for any insured individual shall be no less than three thousand dollars.

43 § 3. Subsection (y) of section 4303 of the insurance law, as amended
44 by chapter 469 of the laws of 2018, is amended to read as follows:

45 (y) Every contract which provides coverage for prescription drugs
46 shall include coverage for the cost of enteral, infant and baby formulas
47 for home use, whether administered orally or via tube feeding, for which
48 a physician or other licensed health care provider legally authorized to
49 prescribe under title eight of the education law has issued a written
50 order. Such written order shall state that the enteral, infant and baby
51 formula is clearly medically necessary and has been proven effective as
52 a disease-specific treatment regimen. Specific diseases and disorders
53 for which enteral, infant and baby formulas have been proven effective
54 shall include, but are not limited to, inherited diseases of amino-acid
55 or organic acid metabolism; Crohn's Disease; gastroesophageal reflux;
56 disorders of gastrointestinal motility such as chronic intestinal pseu-

do-obstruction; and multiple, severe food allergies including, but not limited to immunoglobulin E and nonimmunoglobulin E-mediated allergies to multiple food proteins; severe food protein induced enterocolitis syndrome; eosinophilic disorders; and impaired absorption of nutrients caused by disorders affecting the absorptive surface, function, length, and motility of the gastrointestinal tract. Enteral, infant and baby formulas which are medically necessary and taken under written order from a physician for the treatment of specific diseases shall be distinguished from nutritional supplements taken electively. Coverage for certain inherited diseases of amino acid and organic acid metabolism as well as severe protein allergic conditions shall include modified solid food products that are low protein, or which contain modified protein, or are amino acid based which are medically necessary, and such coverage for such modified solid food products for any calendar year or for any continuous period of twelve months for any insured individual shall not exceed two thousand five hundred dollars. Coverage for infant and baby formulas for any calendar year or any continuous period of twelve months for any insured individual shall be no less than three thousand dollars.

§ 4. The opening paragraph of paragraph 25 of subsection (b) of section 4322 of the insurance law, as amended by chapter 388 of the laws of 2013, is amended to read as follows:

Prescription drugs, obtained at a participating pharmacy under a prescription written by an in-plan or out-of-plan provider, including contraceptive drugs or devices approved by the federal food and drug administration or generic equivalents approved as substitutes by such food and drug administration ~~[and]~~, nutritional supplements (formulas), whether administered orally or via a feeding tube for the therapeutic treatment of phenylketonuria, branched-chain ketonuria, galactosemia and homocystinuria ~~[, — obtained at a participating pharmacy under a prescription written by an in-plan or out-of-plan provider]~~ and infant and baby formulas for home use for which a physician or other licensed health care provider legally authorized to prescribe under title eight of the education law has issued a written order. Such written order shall state that the infant or baby formula is clearly medically necessary and has been proven effective as a disease-specific treatment regimen for those individuals who are or will become malnourished or suffer from disorders, which if left untreated, cause chronic physical disability, mental retardation or death. Specific diseases for which infant and baby formulas have been proven effective shall include, but are not limited to, inherited diseases of amino acid or organic acid metabolism; Crohn's Disease; gastroesophageal reflux with failure to thrive; disorders of gastrointestinal motility such as chronic intestinal pseudo-obstruction; and multiple, severe food allergies which if left untreated will cause malnourishment, chronic physical disability, mental retardation or death. Infant and baby formulas which are medically necessary and taken under written order from a physician for the treatment of specific diseases shall be distinguished from nutritional supplements taken electively. Coverage for infant and baby formulas for any calendar year or any continuous period of twelve months for any insured individual shall be no less than three thousand dollars. Health maintenance organizations, in addition to providing coverage for prescription drugs at a participating pharmacy, may utilize a mail order prescription drug program. Health maintenance organizations may provide prescription drugs pursuant to a drug formulary; however, health maintenance organizations must implement an appeals process so that the use of non-formulary prescription drugs may be requested by a physician or other provider.

1 § 5. This act shall take effect on the first of January next succeed-
2 ing the date on which it shall have become a law and shall apply to all
3 policies and contracts issued, renewed, modified, altered, or amended on
4 or after such date.