

# STATE OF NEW YORK

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2305

2019-2020 Regular Sessions

## IN SENATE

January 24, 2019

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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.

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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.