

STATE OF NEW YORK

7245

IN SENATE

January 14, 2020

Introduced by Sen. RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Labor

AN ACT to amend the workers' compensation law, in relation to contracted network pharmacy use

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

1 Section 1. Paragraph 5 of subdivision (i) of section 13 of the work-
2 ers' compensation law, as added by chapter 6 of the laws of 2007, is
3 amended to read as follows:

4 (5) Notwithstanding any other provision of this chapter, if an employ-
5 er or carrier has contracted with a pharmacy to provide prescribed medi-
6 cine to claimants, then such employer or carrier may [~~require~~] encourage
7 claimants to obtain all prescribed medicines from the pharmacy with
8 which it has contracted[~~, except if a medical emergency occurs and it~~
9 ~~would not be reasonably possible to obtain immediately required~~
10 ~~prescribed medicine from the pharmacy with which the employer or carrier~~
11 ~~has a contract~~]. An employer or carrier that [~~requires~~] encourages
12 claimants to obtain prescribed medicines from a pharmacy with which it
13 has a contract must notify claimants of the pharmacy or pharmacies with
14 which it has a contract, the locations and addresses of the pharmacy or
15 pharmacies, if applicable, how to initially fill and refill
16 prescriptions through the mail, internet, telephone or other means, and
17 any other required information that must be supplied to the pharmacy or
18 pharmacies. [~~If the pharmacy or pharmacies with which the employer or~~
19 ~~carrier contracts does not offer mail order service and does not have a~~
20 ~~physical location within a reasonable distance from the claimant, as~~
21 ~~defined by regulation of the board, the claimant may obtain prescribed~~
22 ~~medicines at the pharmacy or pharmacies of his or her choice and the~~
23 ~~employer or carrier will be liable for such charges in accordance with~~
24 ~~the fee schedule prescribed in section thirteen e of this chapter~~] While
25 an employer or a carrier may contract with a network pharmacy and
26 encourage claimants to use it exclusively, claimants may obtain
27 prescribed medicines at the pharmacy or pharmacies of their choice so
28 long as that pharmacy is registered as a resident, in-state pharmacy

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

LBD13089-01-9

1 with the New York state board of pharmacy and the employer or carrier
2 will be liable for such charges in accordance with the fee schedule
3 prescribed in section thirteen-o of this article so long as the medica-
4 tions are causally related to the claimants' work related injuries and
5 are in accordance with the New York state workers' compensation pharmacy
6 formulary and all other applicable board regulations regarding pharmacy.
7 This paragraph will not apply to any resident, in-state pharmacies that
8 are contracted with the network pharmacy that the employer or carrier
9 designates as their preferred and encouraged network pharmacy. Such
10 pharmacies are obligated to process all claims through their contract
11 with the employer's or carrier's designated network pharmacy. This para-
12 graph will also not apply to any non-resident, out-of-state pharmacies
13 nor shall it apply to any compound medications that the claimant is
14 prescribed. The employer or carrier will have the right to deny any
15 charges that originate from non-resident, out-of-state pharmacies and
16 deny any charges for non-FDA approved extemporaneous compound medica-
17 tions.

18 § 2. This act shall take effect immediately.