STATE OF NEW YORK

7252

2021-2022 Regular Sessions

IN SENATE

June 10, 2021

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

AN ACT to amend the insurance law and the public health law, in relation to establishing patient safety and quality assurance measures regarding the distribution of patient-specific medication from an insurer-designated pharmacy

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

Section 1. Section 3217-b of the insurance law is amended by adding a new subsection (m) to read as follows:

(m) (1) No insurer subject to this article shall by contract, written policy or written procedure allow or require an insurer-designated pharmacy to dispense a medication directly to a patient with the intention that such patient will transport such medication to a physician's office, hospital or clinic for administration.

(2) An insurer subject to this article may offer coverage for, but shall not require the use of a home infusion pharmacy to dispense sterile intravenous drugs ordered by physicians to patients in their homes or the use of an infusion site external to a patient's provider office or clinic.

(3) An insurer subject to this article, in order to require the distribution of patient-specific medication from an insurer-designated pharmacy to a physician's office, hospital or clinic for administration, shall establish an agreement with the physician, hospital or clinic responsible for receiving and administering such medications to ensure proper receipt, transfer, handling, and storage of the medication prior to administration that includes, but is not limited to, the following provisions:

(A) provide at least ninety days' notice to providers and insurers prior to the implementation of such a requirement;

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

LBD11682-01-1

(B) have a patient-specific expedited exception process for cases in which a provider certifies that it is unsafe for a patient to receive medication from an insurer-designated pharmacy;

(C) provide same day delivery of medications;

(D) make available on-call access to a pharmacist or nurse twenty-four hours per day, seven days per week;

(E) utilize cold chain logistics or other means to ensure a drug remains at the appropriate temperature through all stages of supply and storage;

(F) provide a medication's pedigree to certify to the physician's office, hospital or clinic that the drug was handled appropriately through the supply chain;

(G) demonstrate expertise and reliability in risk evaluation and mitigation strategy to comply with United States food and drug administration reporting requirements;

(H) demonstrate the insurer-designated pharmacy is accredited by a national accreditation organization;

(I) demonstrate ability to deliver medications to a physician's office, hospital or clinic in a clinically appropriate dosage and in a ready-to-administer dosage form; and

(J) offer site neutral payment for such medications to the physician's office, hospital or clinic administering the medication, which payment shall include the costs for the providers to intake, store and dispose of such medications.

(4) No insurer subject to this article shall by contract, written policy or written procedure require (A) a medication requiring sterile compounding by the provider, or (B) a medication with a patient-specific dosage requirement to be based upon lab or test results on the day of the patient visit, to be distributed from an insurer-designated pharmacy to a physician's office, hospital or clinic for administration.

§ 2. Section 4325 of the insurance law is amended by adding a new subsection (n) to read as follows:

(n) (1) No corporation organized under this article shall by contract, written policy or written procedure allow or require an insurer-designated pharmacy to dispense a medication directly to a patient with the intention that the patient will transport the medication to a physician's office, hospital or clinic for administration.

(2) A corporation organized under this article may offer coverage for, but shall not require the use of a home infusion pharmacy to dispense sterile intravenous drugs ordered by physicians to patients in their homes or the use of an infusion site external to a patient's provider office or clinic.

(3) A corporation organized under this article, in order to require the distribution of patient-specific medication from an insurer-designated pharmacy to a physician's office, hospital or clinic for administration, shall establish an agreement with the physician, hospital or clinic responsible for receiving and administering such medications to ensure proper receipt, transfer, handling, and storage of the medication prior to administration that includes, but is not limited to, the following provisions:

(A) provide at least ninety days' notice to providers and insureds prior to the implementation of such a requirement;

(B) have a patient-specific expedited exception process for cases in which a provider certifies that it is unsafe for a patient to receive medication from an insurer-designated pharmacy;

(C) provide same day delivery of medications;

(D) make available on-call access to a pharmacist or nurse twenty-four hours per day, seven days per week;

(E) utilize cold chain logistics or other means to ensure a drug remains at the appropriate temperature through all stages of supply and storage;

(F) provide a medication's pedigree to certify to the physician's office, hospital or clinic that the drug was handled appropriately through the supply chain;

(G) demonstrate expertise and reliability in risk evaluation and mitigation strategy to comply with United States food and drug administration reporting requirements;

(H) demonstrate the insurer-designated pharmacy is accredited by a national accreditation organization;

(I) demonstrate ability to deliver medications to a physician's office, hospital or clinic in a clinically appropriate dosage and in a ready-to-administer dosage form; and

(J) offer site neutral payment for such medications to the physician's office, hospital or clinic administering the medication, which payment shall include the costs for the providers to intake, store and dispose of such medications.

(4) No corporation organized under this article shall by contract, written policy or written procedure require (A) a medication requiring sterile compounding by the provider, or (B) a medication with a patient-specific dosage requirement to be based upon lab or test results on the day of the patient visit, to be distributed from an insurer-designated pharmacy to a physician's office, hospital or clinic for administration.

§ 3. Section 4406-c of the public health law is amended by adding a new subdivision 11 to read as follows:

11. (a) No health care plan shall by contract or written policy or written procedure allow or require a plan-designated pharmacy to dispense a medication directly to a patient with the intention that the patient will transport the medication to a physician's office, hospital or clinic for administration.

(b) A health care plan may offer coverage for, but shall not require the use of a home infusion pharmacy to dispense sterile intravenous drugs ordered by physicians to patients in their homes or the use of an infusion site external to a patient's provider office or clinic.

(c) A health care plan, in order to require the distribution of patient-specific medication from an insurer-designated pharmacy to a physician's office, hospital or clinic for administration, shall establish an agreement with the physician, hospital or clinic responsible for receiving and administering such medications to ensure proper receipt, transfer, handling, and storage of the medication prior to administration that includes, but is not limited to, the following provisions:

(i) provide at least ninety days' notice to providers and enrollees prior to the implementation of such a requirement;

(ii) have a patient-specific expedited exception process for cases in which a provider certifies that it is unsafe for a patient to receive medication from a plan-designated pharmacy;

(iii) provide same day delivery of medications;

(iv) make available on-call access to a pharmacist or nurse twenty-four hours per day, seven days per week;

(v) utilize cold chain logistics or other means to ensure a drug remains at the appropriate temperature through all stages of supply and storage;

(vi) provide a medication's pedigree to certify to the physician's office, hospital or clinic that the drug was handled appropriately through the supply chain;

(vii) demonstrate expertise and reliability in risk evaluation and mitigation strategy to comply with United States food and drug administration reporting requirements;

(viii) demonstrate the insurer-designated pharmacy is accredited by a national accreditation organization;

(ix) demonstrate ability to deliver medications to a physician's office, hospital or clinic in a clinically appropriate dosage and in a ready-to-administer dosage form; and

(x) offer site neutral payment for such medications to the physician's office, hospital or clinic administering the medication, which payment shall include the costs for the providers to intake, store and dispose of such medications.

(d) No health care plan shall by contract, written policy or written procedure require (i) a medication requiring sterile compounding by a provider, or (ii) a medication with a patient-specific dosage requirement to be based upon lab or test results on the day of the patient visit, to be distributed from a plan-designated pharmacy to a physician's office, hospital or clinic for administration.

§ 4. This act shall take effect immediately.