

STATE OF NEW YORK

1974

2023-2024 Regular Sessions

IN SENATE

January 17, 2023

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) (i) Notwithstanding any other provision of this chapter, if an
5 employer or carrier has contracted with a pharmacy to provide prescribed
6 medicine to claimants, then such employer or carrier may [~~require~~]
7 encourage claimants to obtain all prescribed medicines from the pharmacy
8 with which it has contracted[, ~~except if a medical emergency occurs and~~
9 ~~it 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-o of this chapter~~] When
25 an employer or insurance carrier fails to provide required access for

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

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1 medication to a claimant as per the board guidelines and pharmacy formu-
2 lary, claimants may then obtain prescribed medicines from any resident,
3 in-state pharmacy licensed and registered to practice in New York state
4 pursuant to all requirements outlined in section 63.6 of title 8 NYCRR
5 part 63 under the following circumstances:

6 (A) the network pharmacy or insurance carrier has refused to pay for
7 the claimant's medication and the claimant is unable to access medica-
8 tion through a network pharmacy due to the failure to authorize within
9 seventy-two hours of such request; or

10 (B) the claimant's medication needs to be on a schedule, and is so
11 authorized, but has not been authorized within seventy-two hours of such
12 request because:

13 (I) the insurance carrier or network pharmacy failed to respond to the
14 reauthorization request;

15 (II) medical reports were not yet filed for reauthorization, or a
16 filed medical report contains a defect;

17 (III) the medication has been authorized in the past; however the
18 carrier denies authorization claiming that the medical treatment guide-
19 lines do not support reauthorization;

20 (IV) an independent medical examiner disagrees with reauthorization;

21 (V) reauthorization has been denied because maximum medical improve-
22 ment has been reached; or

23 (VI) the case is in the process of being settled.

24 (ii) Any pharmacist that agrees to dispense medication to a claimant
25 under this paragraph shall:

26 (A) follow the New York state workers' compensation pharmacy fee sche-
27 dule prescribed in section thirteen-o of this article;

28 (B) follow all New York state workers' compensation medical treatment
29 guidelines for the claimant's site of injury for which the medication is
30 prescribed;

31 (C) follow the New York state workers' compensation pharmacy formu-
32 lary; and

33 (D) assume all liability for the medication if a case is not estab-
34 lished or if the medication is not later approved.

35 (iii) Upon approval of any medication dispensed by a pharmacy pursuant
36 to this paragraph, such pharmacy shall be entitled to receive prompt
37 payment for such medication from the insurance carrier directly within
38 forty-five business days of such approval, and shall be permitted to
39 continue to provide such medication to the claimant outside of the
40 network after such claimant's case has been established.

41 § 2. This act shall take effect on the thirtieth day after it shall
42 have become a law. Effective immediately, the addition, amendment and/or
43 repeal of any rule or regulation necessary for the implementation of
44 this act on its effective date are authorized to be made and completed
45 on or before such effective date.