

**SENATE . . . . . No. 516**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Sal N. DiDomenico***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to out-of-pocket expenses for prescription drug coverage.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	
<i>Jack Lewis</i>	<i>7th Middlesex</i>	<i>1/23/2017</i>
<i>Linda Dorcena Forry</i>	<i>First Suffolk</i>	<i>1/27/2017</i>
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>	<i>1/27/2017</i>
<i>David Paul Linsky</i>	<i>5th Middlesex</i>	<i>1/27/2017</i>
<i>William N. Brownsberger</i>	<i>Second Suffolk and Middlesex</i>	<i>1/27/2017</i>
<i>Marjorie C. Decker</i>	<i>25th Middlesex</i>	<i>1/29/2017</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>	<i>1/30/2017</i>
<i>Joseph W. McGonagle, Jr.</i>	<i>28th Middlesex</i>	<i>1/30/2017</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>	<i>2/1/2017</i>
<i>Edward F. Coppinger</i>	<i>10th Suffolk</i>	<i>2/2/2017</i>
<i>Barbara A. L'Italien</i>	<i>Second Essex and Middlesex</i>	<i>2/2/2017</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>	<i>2/2/2017</i>
<i>Solomon Goldstein-Rose</i>	<i>3rd Hampshire</i>	<i>2/2/2017</i>
<i>John J. Mahoney</i>	<i>13th Worcester</i>	<i>2/2/2017</i>
<i>Elizabeth A. Malia</i>	<i>11th Suffolk</i>	<i>2/3/2017</i>
<i>Michael O. Moore</i>	<i>Second Worcester</i>	<i>2/3/2017</i>
<i>Natalie Higgins</i>	<i>4th Worcester</i>	<i>2/3/2017</i>

<i>Sean Garballey</i>	<i>23rd Middlesex</i>	<i>2/3/2017</i>
<i>William C. Galvin</i>	<i>6th Norfolk</i>	<i>2/3/2017</i>
<i>Julian Cyr</i>	<i>Cape and Islands</i>	<i>2/3/2017</i>
<i>Carolyn C. Dykema</i>	<i>8th Middlesex</i>	<i>2/14/2017</i>

**SENATE . . . . . No. 516**

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By Mr. DiDomenico, a petition (accompanied by bill, Senate, No. 516) of Sal N. DiDomenico, Jack Lewis, Linda Dorcena Forry, Patricia D. Jehlen and other members of the General Court for legislation relative to out-of-pocket expenses for prescription drug coverage. Financial Services.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 541 OF 2015-2016.]

**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninetieth General Court  
(2017-2018)**  
\_\_\_\_\_

An Act relative to out-of-pocket expenses for prescription drug coverage.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Chapter 175 of the General Laws is hereby amended by inserting after  
2 section 277 the following section:

3           Section 228. Patient Cost-Sharing Obligation for Prescription Drugs

4           (A) As used in this section the following words shall, unless the context clearly requires  
5 otherwise, have the following meanings:-

6           “Connector” means the Commonwealth health insurance connector authority.

7           (B) Notwithstanding any law, after January 1, 2018, each health insurance carrier shall  
8 apply the prescription drug cost-sharing provisions of the Connector standard benefit design to  
9 all state regulated plans, including non-standard plans sold through the Connector and state

10 regulated plans sold outside of the Connector. Cost-sharing includes copayments, coinsurance,  
11 and deductibles.

12 (C) A health plan that meets the requirements of a catastrophic plan, as defined in 45  
13 C.F.R. § 156.155, shall be exempt from the requirements of subsection B.

14 (D) For any enrollee that is enrolled in a plan that, but for the requirements of subsections  
15 B would be a High Deductible Health Plan as defined in section 223(c)(2) of the Internal  
16 Revenue Code of 1986, subsection B shall be applicable only after the minimum annual  
17 deductible specified in section 223(c)(2) of the Internal Revenue Code of 1986 is reached.

18 (E) The Massachusetts Division of Insurance shall promulgate any regulations necessary  
19 to implement and enforce this Act.

20 SECTION 2. Chapter 176A of the General Laws is hereby amended by inserting after  
21 section 38 the following section:

22 Section 39. Patient Cost-Sharing Obligation for Prescription Drugs

23 (A) As used in this section the following words shall, unless the context clearly requires  
24 otherwise, have the following meanings:-

25 “Connector” means the Commonwealth health insurance connector authority.

26 (B) Notwithstanding any law, after January 1, 2018, each health insurance carrier shall  
27 apply the prescription drug cost-sharing provisions of the Connector standard benefit design to  
28 all state regulated plans, including non-standard plans sold through the Connector and state  
29 regulated plans sold outside of the Connector. Cost-sharing includes copayments, coinsurance,  
30 and deductibles.

31 (C) A health plan that meets the requirements of a catastrophic plan, as defined in 45  
32 C.F.R. § 156.155, shall be exempt from the requirements of subsection B.

33 (D) For any enrollee that is enrolled in a plan that, but for the requirements of subsections  
34 B would be a High Deductible Health Plan as defined in section 223(c)(2) of the Internal  
35 Revenue Code of 1986, subsection B shall be applicable only after the minimum annual  
36 deductible specified in section 223(c)(2) of the Internal Revenue Code of 1986 is reached.

37 (E) The Massachusetts Division of Insurance shall promulgate any regulations necessary  
38 to implement and enforce this Act.

39 SECTION 3. Chapter 176B of the General Laws is hereby amended by inserting after  
40 section 24 the following section:

41 Section 25. Patient Cost-Sharing Obligation for Prescription Drugs

42 (A) As used in this section the following words shall, unless the context clearly requires  
43 otherwise, have the following meanings:-

44 “Connector” means the Commonwealth health insurance connector authority.

45 (B) Notwithstanding any law, after January 1, 2018, each health insurance carrier shall  
46 apply the prescription drug cost-sharing provisions of the Connector standard benefit design to  
47 all state regulated plans, including non-standard plans sold through the Connector and state  
48 regulated plans sold outside of the Connector. Cost-sharing includes copayments, coinsurance,  
49 and deductibles.

50 (C) A health plan that meets the requirements of a catastrophic plan, as defined in 45  
51 C.F.R. § 156.155, shall be exempt from the requirements of subsection B.

52 (D) For any enrollee that is enrolled in a plan that, but for the requirements of subsections  
53 B would be a High Deductible Health Plan as defined in section 223(c)(2) of the Internal  
54 Revenue Code of 1986, subsection B shall be applicable only after the minimum annual  
55 deductible specified in section 223(c)(2) of the Internal Revenue Code of 1986 is reached.

56 (E) The Massachusetts Division of Insurance shall promulgate any regulations necessary  
57 to implement and enforce this Act.

58 SECTION 4. Chapter 176G of the General Laws is hereby amended by inserting after  
59 section 32 the following section:

60 Section 33. Patient Cost-Sharing Obligation for Prescription Drugs

61 (A) As used in this section the following words shall, unless the context clearly requires  
62 otherwise, have the following meanings:-

63 “Connector” means the Commonwealth health insurance connector authority.

64 (B) Notwithstanding any law, after January 1, 2018, each health insurance carrier shall  
65 apply the prescription drug cost-sharing provisions of the Connector standard benefit design to  
66 all state regulated plans, including non-standard plans sold through the Connector and state  
67 regulated plans sold outside of the Connector. Cost-sharing includes copayments, coinsurance,  
68 and deductibles.

69 (C) A health plan that meets the requirements of a catastrophic plan, as defined in 45  
70 C.F.R. § 156.155, shall be exempt from the requirements of subsection B.

71 (D) For any enrollee that is enrolled in a plan that, but for the requirements of subsections  
72 B would be a High Deductible Health Plan as defined in section 223(c)(2) of the Internal

73 Revenue Code of 1986, subsection B shall be applicable only after the minimum annual  
74 deductible specified in section 223(c)(2) of the Internal Revenue Code of 1986 is reached.

75 (E) The Massachusetts Division of Insurance shall promulgate any regulations necessary  
76 to implement and enforce this Act.

77 SECTION 5. Chapter 32A of the General Laws is hereby amended by inserting after  
78 section 27 the following section:

79 Section 28. Patient Cost-Sharing Obligation for Prescription Drugs

80 (A) As used in this section the following words shall, unless the context clearly requires  
81 otherwise, have the following meanings:-

82 “Connector” means the Commonwealth health insurance connector authority.

83 (B) Notwithstanding any law, after January 1, 2018, each health insurance carrier shall  
84 apply the prescription drug cost-sharing provisions of the Connector standard benefit design to  
85 all state regulated plans, including non-standard plans sold through the Connector and state  
86 regulated plans sold outside of the Connector. Cost-sharing includes copayments, coinsurance,  
87 and deductibles.

88 (C) A health plan that meets the requirements of a catastrophic plan, as defined in 45  
89 C.F.R. § 156.155, shall be exempt from the requirements of subsection B.

90 (D) For any enrollee that is enrolled in a plan that, but for the requirements of subsections  
91 B would be a High Deductible Health Plan as defined in section 223(c)(2) of the Internal  
92 Revenue Code of 1986, subsection B shall be applicable only after the minimum annual  
93 deductible specified in section 223(c)(2) of the Internal Revenue Code of 1986 is reached.

94 (E) The Massachusetts Division of Insurance shall promulgate any regulations necessary  
95 to implement and enforce this Act.

96 SECTION 6. This Act shall take effect January 1, 2018.