THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 195

Session of 2019

INTRODUCED BY NELSON, PICKETT, STURLA, LONGIETTI, DIAMOND, MCNEILL, OTTEN, DELOZIER, RYAN, WARREN, BARRAR, READSHAW, CALTAGIRONE, JAMES, HILL-EVANS, RADER, GROVE, DeLUCA, KORTZ, DeLISSIO, T. DAVIS, KAUFFMAN, NEILSON, FARRY, ROTHMAN, HENNESSEY, BIZZARRO, SIMMONS, B. MILLER, BOYLE, DRISCOLL, STRUZZI, KLUNK, RIGBY, BERNSTINE, MARSHALL, SAYLOR, FRITZ, NESBIT, REESE, BOBACK AND THOMAS, JANUARY 28, 2019

REFERRED TO COMMITTEE ON INSURANCE, JANUARY 28, 2019

AN ACT

- 1 Amending Title 40 (Insurance) of the Pennsylvania Consolidated 2 Statutes, in regulation of insurers and related persons
- generally, providing for medication synchronization.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Part II of Title 40 of the Pennsylvania
- 7 Consolidated Statutes is amended by adding a chapter to read:
- 8 CHAPTER 39
- 9 MEDICATION SYNCHRONIZATION
- 10 Sec.
- 11 3901. Definitions.
- 12 <u>3902</u>. Prorated daily cost-sharing rate.
- 13 <u>3903. Denial of coverage.</u>
- 14 3904. Certain payment structures prohibited.
- 15 3905. Application of chapter.
- 16 § 3901. Definitions.

- 1 The following words and phrases when used in this chapter
- 2 shall have the meanings given to them in this section unless the
- 3 <u>context clearly indicates otherwise:</u>
- 4 "Health insurance policy." An individual or group policy,
- 5 <u>subscriber contract</u>, <u>certificate or plan issued by an insurer</u>
- 6 that provides medical or health care coverage. The term does not
- 7 <u>include any of the following:</u>
- 8 <u>(1) An accident only policy.</u>
- 9 (2) A credit only policy.
- 10 (3) A long-term care or disability income policy.
- 11 <u>(4) A specified disease policy.</u>
- 12 <u>(5) A Medicare supplement policy.</u>
- 13 (6) A TRICARE policy, including a Civilian Health and
- 14 <u>Medical Program of the Uniformed Services (CHAMPUS)</u>
- 15 <u>supplement policy.</u>
- 16 (7) A fixed indemnity policy.
- 17 (8) A dental only policy.
- 18 (9) A vision only policy.
- 19 (10) A workers' compensation policy.
- 20 (11) An automobile medical payment policy.
- 21 (12) Another similar policy providing for limited
- 22 benefits.
- 23 "Insurer." An entity licensed by the department with
- 24 accident and health authority to issue a health insurance policy
- 25 that is offered or governed under any of the following:
- 26 (1) The act of May 17, 1921 (P.L.682, No.284), known as
- 27 The Insurance Company Law of 1921, including section 630 and
- 28 Article XXIV of that act.
- 29 (2) The act of December 29, 1972 (P.L.1701, No.364),
- 30 known as the Health Maintenance Organization Act.

- 1 (3) Chapter 61 (relating to hospital plan corporations)
- 2 or 63 (relating to professional health services plan
- 3 corporations).
- 4 "Maintenance medication." A medication prescribed for a
- 5 chronic, long-term condition and taken on a regular, recurring
- 6 basis.
- 7 <u>"Medication synchronization."</u> The coordination of
- 8 prescription drug filling or refilling by a pharmacy or
- 9 <u>dispensing physician for a health insurance enrollee taking two</u>
- 10 or more maintenance medications for the purpose of improving
- 11 medication adherence.
- 12 "Pharmacy." As defined in section 2 of the act of September
- 13 27, 1961 (P.L.1700, No.699), known as the Pharmacy Act.
- 14 § 3902. Prorated daily cost-sharing rate.
- A health insurance policy shall permit and apply a prorated
- 16 <u>daily cost-sharing rate to maintenance medications that are</u>
- 17 dispensed by a pharmacy as a partial supply if the pharmacist or
- 18 prescriber determines the fill or refill to be in the best
- 19 interest of the patient and the patient requests or agrees to a
- 20 partial supply for the purpose of medication synchronization.
- 21 The fill or refill under this section shall be limited to three
- 22 times per year for each maintenance medication for a covered
- 23 individual. For each clinically necessary synchronization
- 24 thereafter, approval may be required at the discretion of the
- 25 health insurance policy.
- 26 § 3903. Denial of coverage.
- 27 <u>(a) Partial supply.--A health insurance policy providing</u>
- 28 prescription drug coverage may not deny coverage for the
- 29 <u>dispensing of a maintenance medication that is dispensed by a</u>
- 30 network pharmacy on the basis that the dispensing is for a

- 1 partial supply if the prescriber or pharmacist determines the
- 2 <u>fill or refill to be in the best interest of the patient and the</u>
- 3 patient requests or agrees to a partial supply for the purpose
- 4 <u>of medication synchronization.</u>
- 5 (b) Denial codes. -- The health insurance policy shall accept
- 6 early refill and partial supply requests for maintenance
- 7 medications dispensed for the purpose of medication
- 8 synchronization using the submission clarification and message
- 9 codes as adopted by the National Council for Prescription Drug
- 10 Programs or alternative codes provided by the health insurance
- 11 policy.
- 12 (c) Compliance. -- Nothing in this chapter may prohibit a
- 13 health insurance policy from using other methods to comply with
- 14 this chapter.
- 15 § 3904. Certain payment structures prohibited.
- 16 <u>(a) Prorated dispensing fees.--A health insurance plan</u>
- 17 providing prescription drug coverage may not use payment
- 18 structures incorporating prorated dispensing fees.
- 19 (b) Full payment. -- Dispensing fees for a partial supply or
- 20 refilled prescriptions shall be paid in full for each
- 21 maintenance medication dispensed, regardless of any prorated
- 22 copay for the beneficiary or fee paid for alignment services.
- 23 § 3905. Application of chapter.
- 24 (a) Prescription drugs. -- This chapter does not apply to
- 25 prescription drugs that are:
- 26 (1) unit-of-use packaging for which medication
- 27 <u>synchronization is not possible; or</u>
- 28 (2) controlled substances classified in Schedule II
- 29 <u>under section 4(2) of the act of April 14, 1972 (P.L.233,</u>
- No.64), known as The Controlled Substance, Drug, Device and

- 1 <u>Cosmetic Act.</u>
- 2 (b) Health insurance policies. -- This chapter shall apply to
- 3 health insurance policies as follows:
- 4 (1) For a health insurance policy for which either rates
- 5 or forms are required to be filed with the Federal Government
- 6 or the Insurance Department, this chapter shall apply to a
- 7 health insurance policy for which a form or rate is first
- 8 permitted to be used on or after the effective date of this
- 9 <u>section.</u>
- 10 (2) For a health insurance policy for which neither
- 11 rates nor forms are required to be filed with the Federal
- Government or the Insurance Department, this chapter shall
- apply to a health insurance policy issued or renewed on or
- 14 after the effective date of this section.
- 15 Section 2. This act shall take effect in 365 days.