LC004126

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

AN ACT

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

<u>Introduced By:</u> Senators Ujifusa, Miller, Valverde, DiMario, Gu, Acosta, Mack, Gallo, Bissaillon, and McKenney

Date Introduced: January 12, 2024

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1	SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness Insurance
2	Policies" is hereby amended by adding thereto the following section:
3	27-18-33.3. Patient choice in dispensing of clinician-administered drugs.
4	(a) As used in this section:
5	(1) "Clinician-administered drug" means an outpatient prescription drug other than a
6	vaccine that:
7	(i) Cannot reasonably be self-administered by the patient to whom the drug is prescribed
8	or by an individual assisting the patient with the self-administration; and
9	(ii) Is typically administered:
10	(A) By a healthcare provider authorized under the laws of this state to administer the drug,
11	including when acting under a physician's delegation and supervision; and
12	(B) In a physician's office, hospital outpatient infusion center, or other clinical setting.
13	(b) A health insurer or pharmacy benefit manager:
14	(1) Shall not refuse to authorize, approve, or pay a participating provider for providing
15	covered clinician-administered drugs and related services to covered persons;
16	(2) Shall not impose coverage or benefits limitations, or require an enrollee to pay an
17	additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or other
18	penalty when obtaining clinician-administered drugs from a healthcare provider authorized under

the laws of this state to administer clinician-administered drugs, or a pharmacy;

19

1	(3) Shall not interfere with the patient's right to choose to obtain a clinician-administered
2	drug from their provider or pharmacy of choice, including inducement, steering, or offering
3	financial or other incentives;
4	(4) Shall not require clinician-administered drugs to be dispensed by a pharmacy selected
5	by the health plan or create such a requirement through contract with a third party, including, but
6	not limited to, a pharmacy benefit manager;
7	(5) Shall not limit or exclude coverage for a clinician-administered drug when not
8	dispensed by a pharmacy selected by the health plan, if the drug would otherwise be covered;
9	(6) Shall not reimburse at a lesser amount clinician-administered drugs dispensed by a
10	pharmacy not selected by the health plan or create such an arrangement through contract with a
11	third party, including, but not limited to, a pharmacy benefit manager;
12	(7) Shall not condition, deny, restrict, refuse to authorize or approve, or reduce payment to
13	a participating provider for providing covered clinician-administered drugs and related services to
14	covered persons when all criteria for medical necessity are met, because the participating provider
15	obtains clinician-administered drugs from a pharmacy that is not a participating provider in the
16	health insurer's network;
17	(8) Shall not require that an enrollee pay an additional fee, higher copay, higher
18	coinsurance, second copay, second coinsurance, or any other form of price increase for clinician-
19	administered drugs when not dispensed by a pharmacy selected by the health plan or create such a
20	requirement through contract with a third party, including, but not limited to, a pharmacy benefit
21	manager;
22	(9) Shall not require a specialty pharmacy to dispense a clinician-administered medication
23	directly to a patient with the intention that the patient will transport the medication to a healthcare
24	provider for administration.
25	(c) A health insurer may offer, but shall not require, either directly or through contract with
26	a third party, including, but not limited to, a pharmacy benefit manager:
27	(1) The use of a home infusion pharmacy to dispense clinician-administered drugs to
28	patients in their homes or;
29	(2) The use of an infusion site external to a patient's provider office or clinic.
30	SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service
31	Corporations" is hereby amended by adding thereto the following section:
32	27-19-26.3. Patient choice in dispensing of clinician-administered drugs.
33	(a) As used in this section:
34	(1) "Clinician-administered drug" means an outpatient prescription drug other than a

1	vaccine that:
2	(i) Cannot reasonably be self-administered by the patient to whom the drug is prescribed
3	or by an individual assisting the patient with the self-administration; and
4	(ii) Is typically administered:
5	(A) By a healthcare provider authorized under the laws of this state to administer the drug,
6	including when acting under a physician's delegation and supervision; and
7	(B) In a physician's office, hospital outpatient infusion center, or other clinical setting.
8	(b) A health insurer or pharmacy benefit manager:
9	(1) Shall not refuse to authorize, approve, or pay a participating provider for providing
10	covered clinician-administered drugs and related services to covered persons;
11	(2) Shall not impose coverage or benefits limitations, or require an enrollee to pay an
12	additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or other
13	penalty when obtaining clinician-administered drugs from a healthcare provider authorized under
14	the laws of this state to administer clinician-administered drugs, or a pharmacy;
15	(3) Shall not interfere with the patient's right to choose to obtain a clinician-administered
16	drug from their provider or pharmacy of choice, including inducement, steering, or offering
17	financial or other incentives;
18	(4) Shall not require clinician-administered drugs to be dispensed by a pharmacy selected
19	by the health plan or create such a requirement through contract with a third party, including, but
20	not limited to, a pharmacy benefit manager;
21	(5) Shall not limit or exclude coverage for a clinician-administered drug when not
22	dispensed by a pharmacy selected by the health plan, if the drug would otherwise be covered;
23	(6) Shall not reimburse at a lesser amount clinician-administered drugs dispensed by a
24	pharmacy not selected by the health plan or create such an arrangement through contract with a
25	third party, including, but not limited to, a pharmacy benefit manager;
26	(7) Shall not condition, deny, restrict, refuse to authorize or approve, or reduce payment to
27	a participating provider for providing covered clinician-administered drugs and related services to
28	covered persons when all criteria for medical necessity are met, because the participating provider
29	obtains clinician-administered drugs from a pharmacy that is not a participating provider in the
30	health insurer's network;
31	(8) Shall not require that an enrollee pay an additional fee, higher copay, higher
32	coinsurance, second copay, second coinsurance, or any other form of price increase for clinician-
33	administered drugs when not dispensed by a pharmacy selected by the health plan or create such a
34	requirement through contract with a third party, including, but not limited to, a pharmacy benefit

1	manager;
2	(9) Shall not require a specialty pharmacy to dispense a clinician-administered medication
3	directly to a patient with the intention that the patient will transport the medication to a healthcare
4	provider for administration.
5	(c) A health insurer may offer, but shall not require, either directly or through contract with
6	a third party, including, but not limited to, a pharmacy benefit manager:
7	(1) The use of a home infusion pharmacy to dispense clinician-administered drugs to
8	patients in their homes or;
9	(2) The use of an infusion site external to a patient's provider office or clinic.
10	SECTION 3. Chapter 27-20 of the General Laws entitled "Nonprofit Medical Service
11	Corporations" is hereby amended by adding thereto the following section:
12	27-20-23.3. Patient choice in dispensing of clinician-administered drugs.
13	(a) As used in this section:
14	(1) "Clinician-administered drug" means an outpatient prescription drug other than a
15	vaccine that:
16	(i) Cannot reasonably be self-administered by the patient to whom the drug is prescribed
17	or by an individual assisting the patient with the self-administration; and
18	(ii) Is typically administered:
19	(A) By a healthcare provider authorized under the laws of this state to administer the drug,
20	including when acting under a physician's delegation and supervision; and
21	(B) In a physician's office, hospital outpatient infusion center, or other clinical setting.
22	(b) A health insurer or pharmacy benefit manager:
23	(1) Shall not refuse to authorize, approve, or pay a participating provider for providing
24	covered clinician-administered drugs and related services to covered persons;
25	(2) Shall not impose coverage or benefits limitations, or require an enrollee to pay an
26	additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or other
27	penalty when obtaining clinician-administered drugs from a healthcare provider authorized under
28	the laws of this state to administer clinician-administered drugs, or a pharmacy;
29	(3) Shall not interfere with the patient's right to choose to obtain a clinician-administered
30	drug from their provider or pharmacy of choice, including inducement, steering, or offering
31	financial or other incentives;
32	(4) Shall not require clinician-administered drugs to be dispensed by a pharmacy selected
33	by the health plan or create such a requirement through contract with a third party, including, but
34	not limited to, a pharmacy benefit manager;

1	(5) Shall not limit or exclude coverage for a clinician-administered drug when not
2	dispensed by a pharmacy selected by the health plan, if the drug would otherwise be covered;
3	(6) Shall not reimburse at a lesser amount clinician-administered drugs dispensed by a
4	pharmacy not selected by the health plan or create such an arrangement through contract with a
5	third party, including, but not limited to, a pharmacy benefit manager;
6	(7) Shall not condition, deny, restrict, refuse to authorize or approve, or reduce payment to
7	a participating provider for providing covered clinician-administered drugs and related services to
8	covered persons when all criteria for medical necessity are met, because the participating provider
9	obtains clinician-administered drugs from a pharmacy that is not a participating provider in the
10	health insurer's network;
11	(8) Shall not require that an enrollee pay an additional fee, higher copay, higher
12	coinsurance, second copay, second coinsurance, or any other form of price increase for clinician-
13	administered drugs when not dispensed by a pharmacy selected by the health plan or create such a
14	requirement through contract with a third party, including, but not limited to, a pharmacy benefit
15	manager;
16	(9) Shall not require a specialty pharmacy to dispense a clinician-administered medication
17	directly to a patient with the intention that the patient will transport the medication to a healthcare
18	provider for administration.
19	(c) A health insurer may offer, but shall not require, either directly or through contract with
20	a third party, including, but not limited to, a pharmacy benefit manager:
21	(1) The use of a home infusion pharmacy to dispense clinician-administered drugs to
22	patients in their homes or;
23	(2) The use of an infusion site external to a patient's provider office or clinic.
24	SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance
25	Organizations" is hereby amended by adding thereto the following section:
26	27-41-38.4. Patient choice in dispensing of clinician-administered drugs.
27	(a) As used in this section:
28	(1) "Clinician-administered drug" means an outpatient prescription drug other than a
29	vaccine that:
30	(i) Cannot reasonably be self-administered by the patient to whom the drug is prescribed
31	or by an individual assisting the patient with the self-administration; and
32	(ii) Is typically administered:
33	(A) By a healthcare provider authorized under the laws of this state to administer the drug.
34	including when acting under a physician's delegation and supervision; and

1	(B) In a physician's office, hospital outpatient infusion center, or other clinical setting.
2	(b) A health insurer or pharmacy benefit manager:
3	(1) Shall not refuse to authorize, approve, or pay a participating provider for providing
4	covered clinician-administered drugs and related services to covered persons;
5	(2) Shall not impose coverage or benefits limitations, or require an enrollee to pay an
6	additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or other
7	penalty when obtaining clinician-administered drugs from a healthcare provider authorized under
8	the laws of this state to administer clinician-administered drugs, or a pharmacy;
9	(3) Shall not interfere with the patient's right to choose to obtain a clinician-administered
10	drug from their provider or pharmacy of choice, including inducement, steering, or offering
11	financial or other incentives;
12	(4) Shall not require clinician-administered drugs to be dispensed by a pharmacy selected
13	by the health plan or create such a requirement through contract with a third party, including, but
14	not limited to, a pharmacy benefit manager;
15	(5) Shall not limit or exclude coverage for a clinician-administered drug when not
16	dispensed by a pharmacy selected by the health plan, if the drug would otherwise be covered;
17	(6) Shall not reimburse at a lesser amount clinician-administered drugs dispensed by a
18	pharmacy not selected by the health plan or create such an arrangement through contract with a
19	third party, including, but not limited to, a pharmacy benefit manager;
20	(7) Shall not condition, deny, restrict, refuse to authorize or approve, or reduce payment to
21	a participating provider for providing covered clinician-administered drugs and related services to
22	covered persons when all criteria for medical necessity are met, because the participating provider
23	obtains clinician-administered drugs from a pharmacy that is not a participating provider in the
24	health insurer's network;
25	(8) Shall not require that an enrollee pay an additional fee, higher copay, higher
26	coinsurance, second copay, second coinsurance, or any other form of price increase for clinician-
27	administered drugs when not dispensed by a pharmacy selected by the health plan or create such a
28	requirement through contract with a third party, including, but not limited to, a pharmacy benefit
29	manager;
30	(9) Shall not require a specialty pharmacy to dispense a clinician-administered medication
31	directly to a patient with the intention that the patient will transport the medication to a healthcare
32	provider for administration.
33	(c) A health insurer may offer, but shall not require, either directly or through contract with
34	a third party, including, but not limited to, a pharmacy benefit manager:

1 (1) The use of a home infusion pharmacy to dispense clinician-administered drugs to
2 patients in their homes or;
3 (2) The use of an infusion site external to a patient's provider office or clinic.
4 SECTION 5. This act shall take effect upon passage.

LC004126

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

This act would prevent healthcare entities from refusing to authorize, approve, or pay a 2 participating provider for providing covered clinician-administered drugs and related services to 3 covered persons. This act would also prevent healthcare entities from imposing coverage or benefits limitations, or require an enrollee to pay an additional fee, higher copay, higher coinsurance, second 4 5 copay, second coinsurance, or other penalty when obtaining clinician-administered drugs from a healthcare provider. It would prohibit interference with the patient's right to choose to obtain a 6 7 clinician-administered drug from their provider or pharmacy of choice.

This act would take effect upon passage.

LC004126

1

8