

2024 -- H 7365

LC004054

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Representatives Caldwell, Casimiro, and McGaw

Date Introduced: January 31, 2024

Referred To: House 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
19 the laws of this state to administer clinician-administered drugs, or a pharmacy;

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.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

1 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
4 limitations, or require an enrollee to pay an additional fee, higher copay, higher coinsurance, second
5 copay, second coinsurance, or other penalty when obtaining clinician-administered drugs from a
6 healthcare provider. It would prohibit interference with the patient's right to choose to obtain a
7 clinician-administered drug from their provider or pharmacy of choice.

8 This act would take effect upon passage.

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