

2012 -- H 7327

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LC00905
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Representatives Corvese, Ajello, Handy, Walsh, and Malik

Date Introduced: February 02, 2012

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness
2 Insurance Policies" is hereby amended by adding thereto the following section:

3 **27-18-71. Coverage for prescription drugs.** – (a) Every individual or group health
4 insurance contract, or every individual or group hospital or medical expense insurance policy,
5 plan, or group policy issued for delivery, or renewed in this state on or after the passage of this
6 act that provides coverage for prescription drugs shall not require an insured to use, prior to using
7 a brand name prescription drug prescribed by a licensed prescriber, any alternative brand name
8 prescription drug or over-the-counter drugs.

9 (b) Health insurance contracts, plans or policies to which this section applies may require
10 an insured to use, prior to using a brand name prescription drug prescribed by a licensed
11 prescriber, a therapeutically equivalent generic drug, unless, pursuant to sections 5-19.1-19, 5-37-
12 18.1 and 21-31-15(b), the prescriber indicates "brand name necessary" on the prescription form,
13 or if the prescriber gives oral directions to that effect to the dispensing pharmacist.

14 SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service
15 Corporations" is hereby amended by adding thereto the following section:

16 **27-19-62. Coverage for prescription drugs.** – (a) Every individual or group health
17 insurance contract, or every individual or group hospital or medical expense insurance policy,
18 plan, or group policy issued for delivery, or renewed in this state on or after the passage of this
19 act that provides coverage for prescription drugs shall not require an insured to use, prior to using

1 a brand name prescription drug prescribed by a licensed prescriber, any alternative brand name
2 prescription drug or over-the-counter drugs.

3 (b) Health insurance contracts, plans or policies to which this section applies may require
4 an insured to use, prior to using a brand name prescription drug prescribed by a licensed
5 prescriber, a therapeutically equivalent generic drug, unless, pursuant to sections 5-19.1-19, 5-37-
6 18.1 and 21-31-15(b), the prescriber indicates “brand name necessary” on the prescription form,
7 or if the prescriber gives oral directions to that effect to the dispensing pharmacist.

8 SECTION 3. Chapter 27-20 of the General Laws entitled "Nonprofit Medical Service
9 Corporations" is hereby amended by adding thereto the following section:

10 **27-20-57. Coverage for prescription drugs.** -- (a) Every individual or group health
11 insurance contract, or every individual or group hospital or medical expense insurance policy,
12 plan, or group policy issued for delivery, or renewed in this state on or after the passage of this
13 act that provides coverage for prescription drugs shall not require an insured to use, prior to using
14 a brand name prescription drug prescribed by a licensed prescriber, any alternative brand name
15 prescription drug or over-the-counter drugs.

16 (b) Health insurance contracts, plans or policies to which this section applies may require
17 an insured to use, prior to using a brand name prescription drug prescribed by a licensed
18 prescriber, a therapeutically equivalent generic drug, unless, pursuant to sections 5-19.1-19, 5-37-
19 18.1 and 21-31-15(b), the prescriber indicates “brand name necessary” on the prescription form,
20 or if the prescriber gives oral directions to that effect to the dispensing pharmacist.

21 SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance
22 Organizations" is hereby amended by adding thereto the following section:

23 **27-41-75. Coverage for prescription drugs.** -- (a) Every individual or group health
24 insurance contract, or every individual or group hospital or medical expense insurance policy,
25 plan, or group policy issued for delivery, or renewed in this state on or after the passage of this
26 act that provides coverage for prescription drugs shall not require an insured to use, prior to using
27 a brand name prescription drug prescribed by a licensed prescriber, any alternative brand name
28 prescription drug or over-the-counter drugs.

29 (b) Health insurance contracts, plans or policies to which this section applies may require
30 an insured to use, prior to using a brand name prescription drug prescribed by a licensed
31 prescriber, a therapeutically equivalent generic drug, unless, pursuant to sections 5-19.1-19, 5-37-
32 18.1 and 21-31-15(b), the prescriber indicates “brand name necessary” on the prescription form,
33 or if the prescriber gives oral directions to that effect to the dispensing pharmacist.

1 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 health or accident and sickness insurance policies, plans or
2 contracts that provide coverage for prescription drugs from requiring a beneficiary to use an
3 alternative brand name prescription drug or over-the-counter drug prior to using a brand name
4 prescription drug prescribed by a licensed physician.

5 This act would take effect upon passage.

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