

2012 -- S 2360

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LC01115  
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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 - COVERAGE FOR PRESCRIPTION DRUGS

Introduced By: Senators Nesselbush, Miller, Perry, Ottiano, and Pichardo

Date Introduced: February 14, 2012

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  
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 drugs 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 subsection 21-31-15(b), the prescriber indicates "brand name necessary" on the  
13 prescription form, or if the prescriber gives oral direction to that effect to the dispensing  
14 pharmacist.

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

17 **27-19-62. Coverage for prescription drugs. --** (a) Every individual or group health  
18 insurance contract, or every individual or group hospital or medical expense insurance policy,  
19 plan, or group policy issued for delivery, or renewed in this state on or after the passage of this

1 act that provides coverage for prescription drugs shall not require an insured to use, prior to using  
2 a brand name prescription drug prescribed by a licensed prescriber, any alternative brand name  
3 prescription drugs or over-the-counter drugs.

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

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

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

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

32 (b) Health insurance contracts, plans or policies to which this section applies may require  
33 an insured to use, prior to using a brand name prescription drug prescribed by a licensed  
34 prescriber, a therapeutically equivalent generic drug, unless, pursuant to sections 5-19.1-19, 5-37-

1 [18.1 and subsection 21-31-15\(b\), the prescriber indicates “brand name necessary” on the](#)  
2 [prescription form, or if the prescriber gives oral direction to that effect to the dispensing](#)  
3 [pharmacist.](#)

4 SECTION 5. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO INSURANCE - COVERAGE FOR PRESCRIPTION DRUGS

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

5           This act would take effect upon passage.

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