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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO INSURANCE - PRESCRIPTION DRUGS - BENEFITS

Introduced By: Representatives Keable, Ajello, Tanzi, and Cimini

Date Introduced: February 27, 2013

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-20.8-2 of the General Laws in Chapter 27-20.8 entitled  
2 "Prescription Drug Benefits" is hereby amended to read as follows:

3 **27-20.8-2. Pharmacy benefit, limits and co-payments.** -- Any health plan that offers  
4 pharmacy benefits shall comply with the following:

5 (a) ~~When a~~ A health plan's pharmacy benefit ~~has~~ shall not have a dollar limit, ~~the~~  
6 ~~insured's use of such benefit shall be determined based on the health plan's contracted rate to~~  
7 ~~purchase the drug minus the enrollee's applicable co-payment for covered drugs. The balance will~~  
8 ~~apply towards the enrollee's dollars limit.~~

9 (b) Each health plan shall establish a separate out-of-pocket limit for prescription drugs,  
10 including specialty drugs, equal to the maximum dollar amounts in effect under section 223(b)(2)  
11 of the internal revenue code for self-only and family coverage, respectively. For the purposes of  
12 this section, the use of the term "out-of-pocket limit" must be consistent with the definitions of  
13 those terms as prescribed by the secretary of the United States department of health and human  
14 services pursuant to section 2715 of the federal affordable care act.

15 ~~(b)(c)~~ (c) When a health plan charges a co-payment for covered prescription drugs that is  
16 based on a percent of the drug cost, the health plan shall disclose within the group policy or  
17 individual policy benefits description statement whether the co-payment is based on the plan's  
18 contracted rate to purchase the drug or some other cost basis such as retail price.

19 (d) Nothing in this section shall apply to title XIX state plan pursuant to title XIX of the

1 [social security act to provide Medicaid coverage or title XXI state plan pursuant to title XXI of](#)  
2 [the social security act to provide medical assistance coverage. The services provided shall be in](#)  
3 [accord with title XIX \[42 U.S.C. et seq.\] and title XXI \[42 U.S.C. section 1397 et seq.\] of the](#)  
4 [social security act.](#)

5 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO INSURANCE - PRESCRIPTION DRUGS - BENEFITS

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1           This act would eliminate dollars limits on health plans pharmacy benefits and would  
2 provide that each health plan establish a separate out-of-pocket limit for prescription drugs equal  
3 to the maximum amount in effect under section 223(b)(2) of the internal revenue code for self-  
4 only and family coverage.

5           This act would take effect upon passage.

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