Chapter 206, P.L. 2015

(Approved January 11, 2016)

[First Reprint] ASSEMBLY, No. 3331

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JUNE 5, 2014

Sponsored by: Assemblyman DANIEL R. BENSON District 14 (Mercer and Middlesex) Assemblywoman MARIA RODRIGUEZ-GREGG District 8 (Atlantic, Burlington and Camden) Assemblyman CRAIG J. COUGHLIN District 19 (Middlesex) Senator NIA H. GILL District 34 (Essex and Passaic) Senator JAMES BEACH District 6 (Burlington and Camden)

Co-Sponsored by: Assemblymen McKeon, Singleton, Senators T.Kean and Stack

SYNOPSIS

Requires health benefits coverage for synchronization of prescribed medications under certain circumstances.

CURRENT VERSION OF TEXT

As reported by the Senate Commerce Committee on October 19, 2015, with amendments.

(Sponsorship Updated As Of: 12/18/2015)

Chapter 206, P.L. 2015

2

AN ACT concerning health benefits coverage for synchronization of
 prescribed medications and supplementing various parts of the
 statutory law.

4 5

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

6 7

8 1. a. Every group or individual hospital service corporation 9 contract delivered, issued, executed or renewed in this State, or 10 approved for issuance or renewal in this State on or after the 11 effective date of this act, which provides benefits for pharmacy 12 services, prescription drugs, or for participation in a prescription 13 drug plan shall ¹, on at least one occasion per year for each covered 14 <u>person</u>¹:

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

(2) provide coverage for a drug prescribed for the treatment of a
chronic illness dispensed in accordance with a plan among the
covered person, the prescriber and the pharmacist to synchronize
the refilling of multiple prescriptions for the covered person; and

(3) determine dispensing fees based exclusively on the total
number of prescriptions dispensed; dispensing fees shall not be
prorated or based on the number of the days' supply of medication
prescribed or dispensed.

b. This section shall apply to all contracts in which the hospitalservice corporation has reserved the right to change the premium.

¹c. This section shall not apply to prescriptions for opioid
 analgesics. "Opioid analgesic" means a drug in the opioid analgesic
 drug class prescribed to treat moderate to severe pain or other
 conditions, whether in immediate release or extended release form,
 and whether or not combined with other drug substances to form a
 single drug product or dosage form.¹

36

2. a. Every group or individual medical service corporation contract delivered, issued, executed or renewed in this State, or approved for issuance or renewal in this State on or after the effective date of this act, which provides benefits for pharmacy services, prescription drugs, or for participation in a prescription drug plan, shall ¹, on at least one occasion per year for each covered person¹:

Matter underlined <u>thus</u> is new matter.

EXPLANATION – Matter enclosed in **bold-faced** brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter enclosed in superscript numerals has been adopted as follows: ¹Senate SCM committee amendments adopted October 19, 2015.

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

6 (2) provide coverage for a drug prescribed for the treatment of a 7 chronic illness dispensed in accordance with a plan among the 8 covered person, the prescriber and the pharmacist to synchronize 9 the refilling of multiple prescriptions for the covered person; and

(3) determine dispensing fees based exclusively on the total
number of prescriptions dispensed; dispensing fees shall not be
prorated or based on the number of the days' supply of medication
prescribed or dispensed.

b. This section shall apply to all contracts in which the medicalservice corporation has reserved the right to change the premium.

¹c. This section shall not apply to prescriptions for opioid
 analgesics. "Opioid analgesic" means a drug in the opioid analgesic
 drug class prescribed to treat moderate to severe pain or other
 conditions, whether in immediate release or extended release form,
 and whether or not combined with other drug substances to form a
 single drug product or dosage form.¹

22

3. a. Every group or individual health service corporation
contract delivered, issued, executed or renewed in this State, or
approved for issuance or renewal in this State on or after the
effective date of this act, which provides benefits for pharmacy
services, prescription drugs, or for participation in a prescription
drug plan, shall ¹, on at least one occasion per year for each covered
<u>person</u>¹:

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

(2) provide coverage for a drug prescribed for the treatment of a
chronic illness dispensed in accordance with a plan among the
covered person, the prescriber and the pharmacist to synchronize
the refilling of multiple prescriptions for the covered person; and

39 (3) determine dispensing fees based exclusively on the total
40 number of prescriptions dispensed; dispensing fees shall not be
41 prorated or based on the number of the days' supply of medication
42 prescribed or dispensed.

b. This section shall apply to all contracts in which the healthservice corporation has reserved the right to change the premium.

¹c. This section shall not apply to prescriptions for opioid
 analgesics. "Opioid analgesic" means a drug in the opioid analgesic
 drug class prescribed to treat moderate to severe pain or other
 conditions, whether in immediate release or extended release form,

1 and whether or not combined with other drug substances to form a

- 2 <u>single drug product or dosage form.</u>¹
- 3

4 4. a. Every individual health insurance policy or contract 5 delivered, issued, executed or renewed in this State, or approved for 6 issuance or renewal in this State on or after the effective date of this 7 act, which provides benefits for pharmacy services, prescription 8 drugs, or for participation in a prescription drug plan, shall ¹, on at 9 least one occasion per year for each covered person¹:

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

(2) provide coverage for a drug prescribed for the treatment of a
chronic illness dispensed in accordance with a plan among the
covered person, the prescriber and the pharmacist to synchronize
the refilling of multiple prescriptions for the covered person; and

(3) determine dispensing fees based exclusively on the total
number of prescriptions dispensed; dispensing fees shall not be
prorated or based on the number of the days' supply of medication
prescribed or dispensed.

b. This section shall apply to all policies in which the insurerhas reserved the right to change the premium.

¹c. This section shall not apply to prescriptions for opioid
analgesics. "Opioid analgesic" means a drug in the opioid analgesic
drug class prescribed to treat moderate to severe pain or other
conditions, whether in immediate release or extended release form,
and whether or not combined with other drug substances to form a
single drug product or dosage form.¹

31

5. a. Every group health insurance policy or contract delivered,
issued, executed or renewed in this State, or approved for issuance
or renewal in this State on or after the effective date of this act,
which provides benefits for pharmacy services, prescription drugs,
or for participation in a prescription drug plan, shall ¹, on at least
one occasion per year for each covered person¹:

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

(2) provide coverage for a drug prescribed for the treatment of a
chronic illness dispensed in accordance with a plan among the
covered person, the prescriber and the pharmacist to synchronize
the refilling of multiple prescriptions for the covered person; and

(3) determine dispensing fees based exclusively on the total
number of prescriptions dispensed; dispensing fees shall not be
prorated or based on the number of the days' supply of medication
prescribed or dispensed.

b. This section shall apply to all policies in which the insurerhas reserved the right to change the premium.

¹c. This section shall not apply to prescriptions for opioid
analgesics. "Opioid analgesic" means a drug in the opioid analgesic
drug class prescribed to treat moderate to severe pain or other
conditions, whether in immediate release or extended release form,
and whether or not combined with other drug substances to form a
single drug product or dosage form.¹

13

6. a. Every certificate of authority to establish and operate a health maintenance organization in this State issued, continued or renewed in this State, or approved for issuance, continuation or renewal in this State on or after the effective date of this act, which provides benefits for pharmacy services, prescription drugs, or for participation in a prescription drug plan, shall ¹, on at least one occasion per year for each covered person¹:

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

(2) provide coverage for a drug prescribed for the treatment of a
chronic illness dispensed in accordance with a plan among the
covered person, the prescriber and the pharmacist to synchronize
the refilling of multiple prescriptions for the covered person; and

30 (3) determine dispensing fees based exclusively on the total
31 number of prescriptions dispensed; dispensing fees shall not be
32 prorated or based on the number of the days' supply of medication
33 prescribed or dispensed.

b. This section shall apply to all enrollee agreements in which
the health maintenance organization has reserved the right to
change the schedule of charges.

¹c. This section shall not apply to prescriptions for opioid
analgesics. "Opioid analgesic" means a drug in the opioid analgesic
drug class prescribed to treat moderate to severe pain or other
conditions, whether in immediate release or extended release form,
and whether or not combined with other drug substances to form a
single drug product or dosage form.¹

43

44 7. a. Every individual health benefits plan delivered, issued,
45 executed or renewed in this State pursuant to P.L.1992, c.161
46 (C.17B:27A-2 et seq.), or approved for issuance or renewal in this
47 State on or after the effective date of this act, which provides

benefits for pharmacy services, prescription drugs, or for
 participation in a prescription drug plan, shall ¹, on at least one
 occasion per year for each covered person¹:

4 (1) apply a prorated daily cost-sharing rate to prescriptions that
5 are dispensed by a network pharmacy for less than a 30 days' supply
6 if the prescriber or pharmacist indicates the fill or refill is in the
7 best interest of the covered person or is for the purpose of
8 synchronizing the covered person's chronic medications;

9 (2) provide coverage for a drug prescribed for the treatment of a 10 chronic illness dispensed in accordance with a plan among the 11 covered person, the prescriber and the pharmacist to synchronize 12 the refilling of multiple prescriptions for the covered person; and

(3) determine dispensing fees based exclusively on the total
number of prescriptions dispensed; dispensing fees shall not be
prorated or based on the number of the days' supply of medication
prescribed or dispensed.

b. This section shall apply to all health benefits plans in whichthe carrier has reserved the right to change the premium.

¹c. This section shall not apply to prescriptions for opioid
 analgesics. "Opioid analgesic" means a drug in the opioid analgesic
 drug class prescribed to treat moderate to severe pain or other
 conditions, whether in immediate release or extended release form,
 and whether or not combined with other drug substances to form a
 single drug product or dosage form.¹

25

8. a. Every small employer health benefits plan delivered, issued, executed or renewed in this State pursuant to P.L.1992, c.162 (C.17B:27A-17 et seq.), or approved for issuance or renewal in this State on or after the effective date of this act, which provides benefits for pharmacy services, prescription drugs, or for participation in a prescription drug plan, shall <u>1</u>, on at least one occasion per year for each covered person¹:

(1) apply a prorated daily cost-sharing rate to prescriptions that
are dispensed by a network pharmacy for less than a 30 days' supply
if the prescriber or pharmacist indicates the fill or refill is in the
best interest of the covered person or is for the purpose of
synchronizing the covered person's chronic medications;

(2) provide coverage for a drug prescribed for the treatment of a
chronic illness dispensed in accordance with a plan among the
covered person, the prescriber and the pharmacist to synchronize
the refilling of multiple prescriptions for the covered person; and

42 (3) determine dispensing fees based exclusively on the total
43 number of prescriptions dispensed; dispensing fees shall not be
44 prorated or based on the number of the days' supply of medication
45 prescribed or dispensed.

b. This section shall apply to all health benefits plans in whichthe carrier has reserved the right to change the premium.

1 ¹c. This section shall not apply to prescriptions for opioid 2 analgesics. "Opioid analgesic" means a drug in the opioid analgesic 3 drug class prescribed to treat moderate to severe pain or other 4 conditions, whether in immediate release or extended release form, 5 and whether or not combined with other drug substances to form a 6 single drug product or dosage form.¹ 7 8 9. The State Health Benefits Commission shall ensure that 9 every contract under the State Health Benefits Program purchased 10 on or after the effective date of this act, which provides benefits for 11 pharmacy services, prescription drugs, or for participation in a 12 prescription drug plan, shall ¹, on at least one occasion per year for 13 each covered person¹: 14 (1) apply a prorated daily cost-sharing rate to prescriptions that 15 are dispensed by a network pharmacy for less than a 30 days' supply if the prescriber or pharmacist indicates the fill or refill is in the 16 17 best interest of the covered person or is for the purpose of 18 synchronizing the covered person's chronic medications; 19 (2) provide coverage for a drug prescribed for the treatment of a 20 chronic illness dispensed in accordance with a plan among the 21 covered person, the prescriber and the pharmacist to synchronize 22 the refilling of multiple prescriptions for the covered person; and 23 (3) determine dispensing fees based exclusively on the total 24 number of prescriptions dispensed; dispensing fees shall not be 25 prorated or based on the number of the days' supply of medication 26 prescribed or dispensed. 27 ¹This section shall not apply to prescriptions for opioid analgesics. "Opioid analgesic" means a drug in the opioid analgesic 28 29 drug class prescribed to treat moderate to severe pain or other 30 conditions, whether in immediate release or extended release form, 31 and whether or not combined with other drug substances to form a 32 single drug product or dosage form.¹ 33 34 10. The School Employees' Health Benefits Commission shall 35 ensure that every contract under the School Employees' Health 36 Benefits Program purchased on or after the effective date of this act, 37 which provides benefits for pharmacy services, prescription drugs, 38 or for participation in a prescription drug plan, shall ¹, on at least 39 one occasion per year for each covered person¹: 40 (1) apply a prorated daily cost-sharing rate to prescriptions that 41 are dispensed by a network pharmacy for less than a 30 days' supply 42 if the prescriber or pharmacist indicates the fill or refill is in the 43 best interest of the covered person or is for the purpose of 44 synchronizing the covered person's chronic medications; 45 (2) provide coverage for a drug prescribed for the treatment of a 46 chronic illness dispensed in accordance with a plan among the

Chapter 206, P.L. 2015

8

covered person, the prescriber and the pharmacist to synchronize 1 2 the refilling of multiple prescriptions for the covered person; and 3 (3) determine dispensing fees based exclusively on the total 4 number of prescriptions dispensed; dispensing fees shall not be 5 prorated or based on the number of the days' supply of medication 6 prescribed or dispensed. 7 ¹This section shall not apply to prescriptions for opioid 8 analgesics. "Opioid analgesic" means a drug in the opioid analgesic 9 drug class prescribed to treat moderate to severe pain or other 10 conditions, whether in immediate release or extended release form, and whether or not combined with other drug substances to form a 11 single drug product or dosage form.¹ 12 13

14 11. This act shall take effect on the 180th day next following
15 enactment.