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# SENATE BILL No. 155

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8-28.

**Synopsis:** Mail order and Internet pharmacy designation. Allows insurers to designate a mail order or Internet pharmacy to provide prescription drugs to an insured. Prohibits an insurer from requiring as a condition of coverage that an insured purchase prescription drugs from a designated mail order or Internet pharmacy. Prohibits an insurer from applying a higher co-payment or deductible if an insured does not purchase prescription drugs from an in-network designated mail order or Internet pharmacy.

**Effective:** July 1, 2000.

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January 10, 2000, read first time and referred to Committee on Health and Provider Services.

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Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

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# SENATE BILL No. 155



A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-8-28 IS ADDED TO THE INDIANA CODE AS  
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2000]:

4 **Chapter 28. Insurer Designation of Mail Order and Internet**  
5 **Pharmacies**

6 **Sec. 1. This chapter applies to every:**

- 7 (1) **policy of accident and sickness insurance (as defined in**
- 8 **IC 27-8-5-1), whether written on an individual basis, a group**
- 9 **basis, a franchise basis, or a blanket basis;**
- 10 (2) **group contract (as defined in IC 27-13-1-16) or individual**
- 11 **contract (as defined in IC 27-13-1-21) through which a health**
- 12 **maintenance organization furnishes health care services; and**
- 13 (3) **health care plan of a state or local governmental entity**
- 14 **that provides coverage for health care services on a**
- 15 **self-insurance basis;**
- 16 **that is issued, delivered, executed, or renewed in Indiana on or**
- 17 **after July 1, 2001.**



1           **Sec. 2. As used in this chapter, "insurer" means a company, a**  
2 **firm, a partnership, an entity, an association, an order, a society,**  
3 **or a system:**

- 4           (1) **making any of the kinds of insurance;**  
5           (2) **entering into any of the kinds of contracts; or**  
6           (3) **providing any of the coverage;**  
7 **described in section 1 of this chapter.**

8           **Sec. 3. As used in this chapter, "insured" means an individual**  
9 **who is entitled to coverage under a policy, contract, or plan**  
10 **described in section 1 of this chapter.**

11           **Sec. 4. As used in this chapter, "mail order or Internet based**  
12 **pharmacy" has the meaning set forth in IC 25-26-18-1.**

13           **Sec. 5. (a) An insurer that provides coverage for prescription**  
14 **drugs may designate a mail order or Internet based pharmacy to**  
15 **provide prescription drugs to an insured.**

16           **(b) An insurer may not:**

- 17           (1) **require an insured to obtain prescription drugs from a**  
18 **pharmacy designated under subsection (a) as a condition of**  
19 **coverage; or**

20           **(2) impose:**

21           **(A) a higher co-payment;**

22           **(B) a higher deductible; or**

23           **(C) another co-insurance requirement;**

24           **upon an insured if the insured obtains prescription drugs**  
25 **from an in-network pharmacy not designated in subsection (a)**  
26 **that agrees to provide all pharmaceutical services for the**  
27 **same price and under the terms and conditions that apply to**  
28 **a pharmacy designated in subsection (a).**

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