

SENATE BILL No. 359

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-13; IC 27-8-31.2-6; IC 27-13-37.5-3.

Synopsis: Mail order or Internet based pharmacy use. Prohibits certain actions by a health benefit plan, insurer, health maintenance organization, or pharmacy benefit manager related to covered individual use of mail order pharmacies.

Effective: July 1, 2013.

Grooms

January 8, 2013, read first time and referred to Committee on Health and Provider Services.

C
O
P
Y



First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

C
O
P
Y

SENATE BILL No. 359



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 5-10-8-13, AS AMENDED BY P.L.2-2007,
- 2 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2013]: Sec. 13. (a) As used in this section, "covered
- 4 individual" means an individual who is entitled to coverage under an
- 5 employee health benefit plan.
- 6 (b) As used in this section, "employee health benefit plan" means a
- 7 group plan of self-insurance, policy, or contract that:
- 8 (1) provides coverage for prescription drugs; and
- 9 (2) is established, purchased, or entered into by an employer for
- 10 the benefit of the employer's employees.
- 11 (c) As used in this section, "employer" means the following:
- 12 (1) A public employer.
- 13 (2) A state educational institution.
- 14 (d) As used in this section, "mail order or Internet based pharmacy"
- 15 has the meaning set forth in IC 25-26-18-1.
- 16 (e) An employee health benefit plan that provides coverage for
- 17 prescription drugs may designate a mail order or an Internet based



1 pharmacy to provide prescription drugs to a covered individual.

2 (f) An employee health benefit plan may not require a covered
3 individual to obtain a prescription drug from a pharmacy designated
4 under subsection (e) as a condition of coverage.

5 **(g) An employee health benefit plan, including a pharmacy
6 benefit manager affiliated with an employee health benefit plan,
7 may not do the following:**

8 **(1) Require a covered individual to use a mail order or
9 Internet based pharmacy to obtain at least a ninety (90) day
10 supply of a prescription medication.**

11 **(2) Require a covered individual to pay a higher copayment,
12 coinsurance, or other out of pocket cost to obtain a
13 prescription medication from a pharmacy other than a mail
14 order or Internet based pharmacy.**

15 SECTION 2. IC 27-8-31.2-6 IS ADDED TO THE INDIANA CODE
16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
17 1, 2013]: **Sec. 6. An insurer, including a pharmacy benefit manager
18 affiliated with an insurer, may not do the following:**

19 **(1) Require an insured to use a mail order or Internet based
20 pharmacy to obtain at least a ninety (90) day supply of a
21 prescription medication.**

22 **(2) Require an insured to pay a higher copayment,
23 coinsurance, or other out of pocket cost to obtain a
24 prescription medication from a pharmacy other than a mail
25 order or Internet based pharmacy.**

26 SECTION 3. IC 27-13-37.5-3 IS ADDED TO THE INDIANA
27 CODE AS A NEW SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2013]: **Sec. 3. A health maintenance
29 organization, including a pharmacy benefit manager affiliated with
30 a health maintenance organization, may not do the following:**

31 **(1) Require an enrollee to use a mail order or Internet based
32 pharmacy to obtain at least a ninety (90) day supply of a
33 prescription medication.**

34 **(2) Require an enrollee to pay a higher copayment or other
35 out of pocket cost to obtain a prescription medication from a
36 pharmacy other than a mail order or Internet based
37 pharmacy.**

C
o
p
y

