

ASSEMBLY, No. 435

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman GREGORY P. MCGUCKIN

District 10 (Ocean)

Assemblyman JOHN CATALANO

District 10 (Ocean)

SYNOPSIS

Limits upfront costs for oral anticancer medications for persons covered under certain health benefits plans.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/3/2020)

1 **AN ACT** concerning health benefits coverage for oral anticancer
2 medications and amending various parts of the statutory law.

3

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

6

7 1. Section 1 of P.L.2011, c.188 (C.17:48-6jj) is amended to
8 read as follows:

9 1. a. A hospital service corporation contract that provides
10 hospital and medical expense benefits and is delivered, issued,
11 executed, or renewed in this State pursuant to P.L.1938, c.366
12 (C.17:48-1 et seq.), or approved for issuance or renewal in this State
13 by the Commissioner of Banking and Insurance, on or after the
14 effective date of this act, shall provide coverage for expenses for
15 prescribed, orally administered anticancer medications used to kill
16 or slow the growth of cancerous cells on a basis no less favorable
17 than the contract provides for intravenously administered or
18 injected anticancer medications.

19 b. Pursuant to subsection a. of this section, coverage for
20 expenses for prescribed, orally administered anticancer medications
21 used to kill or slow the growth of cancerous cells shall not be
22 subject to any prior authorization, dollar limit, copayment,
23 deductible or coinsurance provision that does not apply to
24 intravenously administered or injected anticancer medications.

25 c. A hospital service corporation contract shall not achieve
26 compliance with the provisions of this section by imposing an
27 increase in patient cost sharing, including any copayment,
28 deductible or coinsurance, for anticancer medications, whether
29 intravenously administered or injected or orally administered, that
30 are covered under the contract as of the effective date of this act.

31 d. Except for any copayment, deductible or coinsurance
32 required to be paid by the covered person pursuant to the contract, a
33 contract shall not require a covered person to pay any additional
34 upfront cost or out of pocket expense for orally administered
35 anticancer medications, even if reimbursement for that cost or
36 expense is to be provided to the covered person at a later date.

37 e. This section shall apply to those hospital service corporation
38 contracts in which the hospital service corporation has reserved the
39 right to change the premium.

40 (cf: P.L.2011, c.188, s.1)

41

42 2. Section 2 of P.L.2011, c.188 (C.17:48A-7gg) is amended to
43 read as follows:

44 2. a. A medical service corporation contract that provides
45 hospital and medical expense benefits and is delivered, issued,
46 executed, or renewed in this State pursuant to P.L.1940, c.74
47 (C.17:48A-1 et seq.), or approved for issuance or renewal in this

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 underlined thus is new matter.

1 State by the Commissioner of Banking and Insurance, on or after
2 the effective date of this act, shall provide coverage for expenses
3 for prescribed, orally administered anticancer medications used to
4 kill or slow the growth of cancerous cells on a basis no less
5 favorable than the contract provides for intravenously administered
6 or injected anticancer medications.

7 b. Pursuant to subsection a. of this section, coverage for
8 expenses for prescribed, orally administered anticancer medications
9 used to kill or slow the growth of cancerous cells shall not be
10 subject to any prior authorization, dollar limit, copayment,
11 deductible or coinsurance provision that does not apply to
12 intravenously administered or injected anticancer medications.

13 c. A medical service corporation contract shall not achieve
14 compliance with the provisions of this section by imposing an
15 increase in patient cost sharing, including any copayment,
16 deductible or coinsurance, for anticancer medications, whether
17 intravenously administered or injected or orally administered, that
18 are covered under the contract as of the effective date of this act.

19 d. Except for any copayment, deductible or coinsurance
20 required to be paid by the covered person pursuant to the contract, a
21 contract shall not require a covered person to pay any additional
22 upfront cost or out of pocket expense for orally administered
23 anticancer medications, even if reimbursement for that cost or
24 expense is to be provided to the covered person at a later date.

25 e. This section shall apply to those medical service corporation
26 contracts in which the medical service corporation has reserved the
27 right to change the premium.

28 (cf: P.L.2011, c.188, s.2)

29

30 3. Section 3 of P.L.2011, c.188 (C.17:48E-35.34) is amended
31 to read as follows:

32 3. a. A health service corporation contract that provides
33 hospital and medical expense benefits and is delivered, issued,
34 executed, or renewed in this State pursuant to P.L.1985, c.236
35 (C.17:48E-1 et seq.), or approved for issuance or renewal in this
36 State by the Commissioner of Banking and Insurance, on or after
37 the effective date of this act, shall provide coverage for expenses
38 for prescribed, orally administered anticancer medications used to
39 kill or slow the growth of cancerous cells on a basis no less
40 favorable than the contract provides for intravenously administered
41 or injected anticancer medications.

42 b. Pursuant to subsection a. of this section, coverage for
43 expenses for prescribed, orally administered anticancer medications
44 used to kill or slow the growth of cancerous cells shall not be
45 subject to any prior authorization, dollar limit, copayment,
46 deductible or coinsurance provision that does not apply to
47 intravenously administered or injected anticancer medications.

1 c. A health service corporation contract shall not achieve
2 compliance with the provisions of this section by imposing an
3 increase in patient cost sharing, including any copayment,
4 deductible or coinsurance, for anticancer medications, whether
5 intravenously administered or injected or orally administered, that
6 are covered under the contract as of the effective date of this act.

7 d. Except for any copayment, deductible or coinsurance
8 required to be paid by the covered person pursuant to the contract, a
9 contract shall not require a covered person to pay any additional
10 upfront cost or out of pocket expense for orally administered
11 anticancer medications, even if reimbursement for that cost or
12 expense is to be provided to the covered person at a later date.

13 e. This section shall apply to those health service corporation
14 contracts in which the health service corporation has reserved the
15 right to change the premium.

16 (cf: P.L.2011, c.188, s.3)

17
18 4. Section 4 of P.L.2011, c.188 (C.17B:26-2.1dd) is amended
19 to read as follows:

20 4. a. An individual health insurance policy that provides
21 hospital and medical expense benefits and is delivered, issued,
22 executed, or renewed in this State pursuant to N.J.S.17B:26-1 et
23 seq., or approved for issuance or renewal in this State by the
24 Commissioner of Banking and Insurance, on or after the effective
25 date of this act, shall provide coverage for expenses for prescribed,
26 orally administered anticancer medications used to kill or slow the
27 growth of cancerous cells on a basis no less favorable than the
28 policy provides for intravenously administered or injected
29 anticancer medications.

30 b. Pursuant to subsection a. of this section, coverage for
31 expenses for prescribed, orally administered anticancer medications
32 used to kill or slow the growth of cancerous cells shall not be
33 subject to any prior authorization, dollar limit, copayment,
34 deductible or coinsurance provision that does not apply to
35 intravenously administered or injected anticancer medications.

36 c. An individual health insurance policy shall not achieve
37 compliance with the provisions of this section by imposing an
38 increase in patient cost sharing, including any copayment,
39 deductible or coinsurance, for anticancer medications, whether
40 intravenously administered or injected or orally administered, that
41 are covered under the policy as of the effective date of this act.

42 d. Except for any copayment, deductible or coinsurance
43 required to be paid by the covered person pursuant to the policy, a
44 policy shall not require an insured to pay any additional upfront
45 cost or out of pocket expense for orally administered anticancer
46 medications, even if reimbursement for that cost or expense is to be
47 provided to the covered person at a later date.

1 e. This section shall apply to those policies in which the insurer
2 has reserved the right to change the premium.
3 (cf: P.L.2011, c.188, s.4)

4
5 5. Section 5 of P.L.2011, c.188 (C.17B:27-46.1jj) is amended
6 to read as follows:

7 5. a. A group health insurance policy that provides hospital
8 and medical expense benefits and is delivered, issued, executed, or
9 renewed in this State pursuant to N.J.S.17B:27-26 et seq., or
10 approved for issuance or renewal in this State by the Commissioner
11 of Banking and Insurance, on or after the effective date of this act,
12 shall provide coverage for expenses for prescribed, orally
13 administered anticancer medications used to kill or slow the growth
14 of cancerous cells on a basis no less favorable than the policy
15 provides for intravenously administered or injected anticancer
16 medications.

17 b. Pursuant to subsection a. of this section, coverage for
18 expenses for prescribed, orally administered anticancer medications
19 used to kill or slow the growth of cancerous cells shall not be
20 subject to any prior authorization, dollar limit, copayment,
21 deductible or coinsurance provision that does not apply to
22 intravenously administered or injected anticancer medications.

23 c. A group health insurance policy shall not achieve
24 compliance with the provisions of this section by imposing an
25 increase in patient cost sharing, including any copayment,
26 deductible or coinsurance, for anticancer medications, whether
27 intravenously administered or injected or orally administered, that
28 are covered under the policy as of the effective date of this act.

29 d. Except for any copayment, deductible or coinsurance
30 required to be paid by the covered person pursuant to the policy, a
31 policy shall not require a covered person to pay any additional
32 upfront cost or out of pocket expense for orally administered
33 anticancer medications, even if reimbursement for that cost or
34 expense is to be provided to the covered person at a later date.

35 e. This section shall apply to those policies in which the insurer
36 has reserved the right to change the premium.
37 (cf: P.L.2011, c.188, s.5)

38
39 6. Section 6 of P.L.2011, c.188 (C.17B:27A-7.17) is amended
40 to read as follows:

41 6. a. An individual health benefits plan that is delivered,
42 issued, executed, or renewed in this State pursuant to P.L.1992,
43 c.161 (C.17B:27A-2 et seq.), on or after the effective date of this
44 act, shall provide coverage for expenses for prescribed, orally
45 administered anticancer medications used to kill or slow the growth
46 of cancerous cells on a basis no less favorable than the plan
47 provides for intravenously administered or injected anticancer
48 medications.

1 b. Pursuant to subsection a. of this section, coverage for
2 expenses for prescribed, orally administered anticancer medications
3 used to kill or slow the growth of cancerous cells shall not be
4 subject to any prior authorization, dollar limit, copayment,
5 deductible or coinsurance provision that does not apply to
6 intravenously administered or injected anticancer medications.

7 c. An individual health benefits plan shall not achieve
8 compliance with the provisions of this section by imposing an
9 increase in patient cost sharing, including any copayment,
10 deductible or coinsurance, for anticancer medications, whether
11 intravenously administered or injected or orally administered, that
12 are covered under the plan as of the effective date of this act.

13 d. Except for any copayment, deductible or coinsurance
14 required to be paid by the covered person pursuant to the health
15 benefits plan, a health benefits plan shall not require a covered
16 person to pay any additional upfront cost or out of pocket expense
17 for orally administered anticancer medications, even if
18 reimbursement for that cost or expense is to be provided to the
19 covered person at a later date.

20 e. This section shall apply to those health benefits plans in
21 which the carrier has reserved the right to change the premium.

22 (cf: P.L.2011, c.188, s.6)

23
24 7. Section 7 of P.L.2011, c.188 (C.17B:27A-19.21) is amended
25 to read as follows:

26 7. a. A small employer health benefits plan that is delivered,
27 issued, executed, or renewed in this State pursuant to P.L.1992,
28 c.162 (C.17B:27A-17 et seq.), on or after the effective date of this
29 act, shall provide coverage for expenses for prescribed, orally
30 administered anticancer medications used to kill or slow the growth
31 of cancerous cells on a basis no less favorable than the plan
32 provides for intravenously administered or injected anticancer
33 medications.

34 b. Pursuant to subsection a. of this section, coverage for
35 expenses for prescribed, orally administered anticancer medications
36 used to kill or slow the growth of cancerous cells shall not be
37 subject to any prior authorization, dollar limit, copayment,
38 deductible or coinsurance provision that does not apply to
39 intravenously administered or injected anticancer medications.

40 c. A small employer health benefits plan shall not achieve
41 compliance with the provisions of this section by imposing an
42 increase in patient cost sharing, including any copayment,
43 deductible or coinsurance, for anticancer medications, whether
44 intravenously administered or injected or orally administered, that
45 are covered under the plan as of the effective date of this act.

46 d. Except for any copayment, deductible or coinsurance
47 required to be paid by the covered person pursuant to the health
48 benefits plan, a health benefits plan shall not require a covered

1 person to pay any additional upfront cost or out of pocket expense
2 for orally administered anticancer medications, even if
3 reimbursement for that cost or expense is to be provided to the
4 covered person at a later date.

5 e. This section shall apply to those health benefits plans in
6 which the carrier has reserved the right to change the premium.
7 (cf: P.L.2011, c.188, s.7)

8
9 8. Section 8 of P.L.2011, c.188 (C.26:2J-4.35) is amended to
10 read as follows:

11 8. a. A health maintenance organization contract for health
12 care services that is delivered, issued, executed, or renewed in this
13 State pursuant to P.L.1973, c.337 (C.26:2J-1 et seq.), or approved
14 for issuance or renewal in this State by the Commissioner of
15 Banking and Insurance, on or after the effective date of this act,
16 shall provide health care services for prescribed, orally
17 administered anticancer medications used to kill or slow the growth
18 of cancerous cells on a basis no less favorable than the contract
19 provides for covered intravenously administered or injected
20 anticancer medications.

21 b. Pursuant to subsection a. of this section, coverage for
22 expenses for prescribed, orally administered anticancer medications
23 used to kill or slow the growth of cancerous cells shall not be
24 subject to any prior authorization, dollar limit, copayment,
25 deductible or coinsurance provision that does not apply to
26 intravenously administered or injected anticancer medications.

27 c. A health maintenance organization contract shall not achieve
28 compliance with the provisions of this section by imposing an
29 increase in patient cost sharing, including any copayment,
30 deductible or coinsurance, for anticancer medications, whether
31 intravenously administered or injected or orally administered, that
32 are covered under the contract as of the effective date of this act.

33 d. Except for any copayment, deductible or coinsurance
34 required to be paid by the covered person pursuant to the contract, a
35 contract shall not require a covered person to pay any additional
36 upfront cost or out of pocket expense for orally administered
37 anticancer medications, even if reimbursement for that cost or
38 expense is to be provided to the covered person at a later date.

39 e. This section shall apply to those contracts for health care
40 services under which the right to change the schedule of charges for
41 enrollee coverage is reserved.

42 (cf: P.L.2011, c.188, s.8)

43
44 9. Section 9 of P.L.2011, c.188 (C.52:14-17.29r) is amended to
45 read as follows:

46 9. a. The State Health Benefits Commission shall ensure that
47 every contract purchased on or after the effective date of this act
48 that provides hospital or medical expense benefits shall provide

1 coverage for expenses for prescribed, orally administered anticancer
2 medications used to kill or slow the growth of cancerous cells on a
3 basis no less favorable than the contract provides for intravenously
4 administered or injected anticancer medications.

5 b. Pursuant to subsection a. of this section, coverage for
6 expenses for prescribed, orally administered anticancer medications
7 used to kill or slow the growth of cancerous cells shall not be
8 subject to any prior authorization, dollar limit, copayment,
9 deductible or coinsurance provision that does not apply to
10 intravenously administered or injected anticancer medications.

11 c. A State Health Benefits Commission contract shall not
12 achieve compliance with the provisions of this section by imposing
13 an increase in patient cost sharing, including any copayment,
14 deductible or coinsurance, for anticancer medications, whether
15 intravenously administered or injected or orally administered, that
16 are covered under the contract as of the effective date of this act.

17 d. Except for any copayment, deductible or coinsurance
18 required to be paid by the covered person pursuant to the contract, a
19 contract shall not require a covered person to pay any additional
20 upfront cost or out of pocket expense for orally administered
21 anticancer medications, even if reimbursement for that cost or
22 expense is to be provided to the covered person at a later date.

23 (cf: P.L.2011, c.188, s.9)

24
25 10. Section 10 of P.L.2011, c.188 (C.52:14-17.46.6c) is
26 amended to read as follows:

27 10. a. The School Employees' Health Benefits Commission
28 shall ensure that every contract purchased on or after the effective
29 date of this act that provides hospital or medical expense benefits
30 shall provide coverage for expenses for prescribed, orally
31 administered anticancer medications used to kill or slow the growth
32 of cancerous cells on a basis no less favorable than the contract
33 provides for intravenously administered or injected anticancer
34 medications.

35 b. Pursuant to subsection a. of this section, coverage for
36 expenses for prescribed, orally administered anticancer medications
37 used to kill or slow the growth of cancerous cells shall not be
38 subject to any prior authorization, dollar limit, copayment,
39 deductible or coinsurance provision that does not apply to
40 intravenously administered or injected anticancer medications.

41 c. A School Employees' Health Benefits Commission contract
42 shall not achieve compliance with the provisions of this section by
43 imposing an increase in patient cost sharing, including any
44 copayment, deductible or coinsurance, for anticancer medications,
45 whether intravenously administered or injected or orally
46 administered, that are covered under the contract as of the effective
47 date of this act.

1 d. Except for any copayment, deductible or coinsurance
2 required to be paid by the covered person pursuant to the contract, a
3 contract shall not require a covered person to pay any additional
4 upfront cost or out of pocket expense for orally administered
5 anticancer medications, even if reimbursement for that cost or
6 expense is to be provided to the covered person at a later date.
7 (cf: P.L.2011, c.188, s.10)

8
9 11. This act shall take effect immediately and shall apply to all
10 contracts and policies issued on or after the effective date.

11
12
13 STATEMENT

14
15 This bill limits the amount that a covered person is required to
16 pay upfront in order to obtain oral anticancer medications by
17 amending P.L.2011, c. 188, which requires health insurers, the State
18 Health Benefits Program, and the School Employees' Health
19 Benefits Program to cover oral anticancer medications on a basis no
20 less favorable than intravenous anticancer medications.

21 Specifically, the bill provides that, except for any copayment,
22 deductible or coinsurance required to be paid by the covered person
23 pursuant to the contract or policy, a contract or policy shall not
24 require a covered person to pay any additional upfront cost or out of
25 pocket expense for orally administered anticancer medications, even
26 if reimbursement for that cost or expense is to be provided to the
27 covered person at a later date.

28 Due to the extremely high cost of many oral anticancer
29 medications, many patients cannot afford to pay for these
30 medications upfront and wait for reimbursement from their insurer
31 or health benefits plan at a later date. This bill attempts to remedy
32 these situations by limiting upfront costs to the patient's copayment,
33 deductible or coinsurance.