SENATE, No. 1876

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 24, 2020

Sponsored by:
Senator JOSEPH A. LAGANA
District 38 (Bergen and Passaic)

SYNOPSIS

Prohibits SHBP, SEHBP, and Medicaid from denying coverage for maintenance medications for chronic conditions for covered persons solely because of change in health benefits plan or pharmacy benefits manager.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning health care coverage for certain medications and supplementing P.L.1961, c.49 (C.52:14-17.25 et seq.), P.L.2007, c.103 (C.52:14-17.46.1 et seq.), and P.L.1968, c.413 (C.30:4D-1 et seq.).

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

1. Notwithstanding any other law or regulation to the contrary, the State Health Benefits Commission shall ensure that every contract purchased by the commission on or after the effective date of this act that provides hospital and medical expense benefits shall not deny coverage for a maintenance medication prescribed by a covered person's physician for the covered person's chronic condition because of a change in the covered person's pharmaceutical benefits that results solely from a change in the contract or the pharmacy benefits manager for that contract if:

a. the covered person was taking the medication prior to the date of the change in the contract or the pharmacy benefits manager for that contract; and

b. the new contract, or the contract under the new pharmacy benefits manager, as applicable, provides coverage for that class of drugs.

2. Notwithstanding any other law or regulation to the contrary, the School Employees' Health Benefits Commission shall ensure that every contract purchased by the commission on or after the effective date of this act that provides hospital and medical expense benefits shall not deny coverage for a maintenance medication prescribed by a covered person's physician for the covered person's chronic condition because of a change in the covered person's pharmaceutical benefits that results solely from a change in the contract or the pharmacy benefits manager for that contract if:

a. the covered person was taking the medication prior to the date of the change in the contract or the pharmacy benefits manager for that contract; and

b. the new contract, or the contract under the new pharmacy benefits manager, as applicable, provides coverage for that class of drugs.

3. Notwithstanding the provisions of any other law or regulation to the contrary, any contract between a carrier and the Division of Medical Assistance and Health Services in the Department of Human Services that provides benefits to persons who are eligible for Medicaid under P.L.1968, c.413 (C.30:4D-1 et seq.) shall not deny coverage for a maintenance medication prescribed by a covered person's physician for the covered person's chronic condition because of a change in the covered person's

pharmaceutical benefits that results solely from a change in the contract or the pharmacy benefits manager for that contract if:

a. the covered person was taking the medication prior to the date of the change in the contract or the pharmacy benefits manager for that contract; and

b. the new contract, or the contract under the new pharmacy benefits manager, as applicable, provides coverage for that class of drugs.

4. This act shall take effect on the first day of the seventh month next following the date of enactment and shall apply to contracts issued or renewed on or after the effective date.

STATEMENT

This bill would prohibit contracts which are issued or purchased pursuant to the State Health Benefits Program, School Employees' Health Benefits Program, and Medicaid Program from denying coverage for a maintenance medication prescribed by a covered person's physician for the covered person's chronic condition because of a change in the covered person's pharmaceutical benefits that results solely from a change in the health benefits plan or the pharmacy benefits manager for that plan.

The prohibition applies only if the covered person was taking the medication prior to the date of the change in the covered person's health benefits plan or the pharmacy benefits manager for that plan, and if the covered person's new health benefits plan, or health benefits plan under the new pharmacy benefits manager, as applicable, provides coverage for that class of drugs.