

Regular Session, 2012

HOUSE BILL NO. 693

BY REPRESENTATIVES CROMER, ADAMS, ANDERS, ARNOLD, BILLIOT, BROSSETT, HENRY BURNS, DIXON, EDWARDS, HARRISON, HAZEL, HENRY, HUNTER, HUVAL, JOHNSON, JONES, KLECKLEY, TERRY LANDRY, LEGER, LIGI, LOPINTO, LORUSSO, MONTOUCET, MORENO, PIERRE, PONTI, PUGH, PYLANT, REYNOLDS, RICHARD, RICHARDSON, RITCHIE, SCHRODER, SIMON, ST. GERMAIN, TALBOT, THIBAUT, THIERRY, THOMPSON, AND WILLMOTT AND SENATORS ALARIO, AMEDEE, CHABERT, LAFLEUR, AND WHITE

INSURANCE/HEALTH: Provides for parity for orally administered anti-cancer medications

1 AN ACT

2 To enact R.S. 22:999.1, relative to health insurance issuers which provide coverage for  
3 cancer treatment; to require that such issuers provide for parity for orally  
4 administered anti-cancer medications with intravenously administered or injected  
5 anti-cancer medications; to provide for definitions; to provide for applicability; and  
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:999.1 is hereby enacted to read as follows:

9 §999.1. Parity for orally administered anti-cancer medications with intravenously  
10 administered or injected anti-cancer medications

11 A. It is hereby declared that the public policy of this state is that every  
12 person within this state with health insurance coverage that provides coverage for  
13 cancer treatment shall have access to the type of covered medication used to treat his  
14 cancer, as such a decision affects the person's overall, long-term health and quality  
15 of life. It is also declared that orally administered anti-cancer medications, although  
16 very effective in killing or slowing the growth of cancerous cells, have high out-of-  
17 pocket costs to the covered person, impacting the decision of physicians to prescribe

1 such medications, thus restricting patient access to life-saving oral anti-cancer  
2 medications. It is further declared that physicians must be able to make the best  
3 choice for their patients, considering the unique aspects of each patient and the  
4 progress of the disease.

5 B.(1) A health insurance issuer that provides coverage for cancer treatment  
6 shall provide for coverage of prescribed orally administered anti-cancer medications  
7 on a basis no less favorable than intravenously administered or injected cancer  
8 medications.

9 (2) Health insurance coverage of orally administered anti-cancer medications  
10 shall not be subject to any prior authorization, dollar limit, copayment, deductible,  
11 or other out-of-pocket expense that does not apply to intravenously administered or  
12 injected cancer medications, regardless of formulation or benefit category  
13 determination by the health insurance issuer.

14 (3) A health insurance issuer shall not reclassify or increase any type of cost-  
15 sharing to the covered person for anti-cancer medications in order to achieve  
16 compliance with this Section. Any change in health insurance coverage that  
17 otherwise increases an out-of-pocket expense applied to anti-cancer medications  
18 shall also be applied to the majority of comparable medical or pharmaceutical  
19 benefits covered by the health insurance issuer.

20 (4) A health insurance issuer that limits the total amount paid by a covered  
21 person through all cost-sharing requirements to no more than one hundred dollars per  
22 filled prescription for any orally administered anti-cancer medication shall be  
23 considered in compliance with this Section. For purposes of this Paragraph, "cost-  
24 sharing requirements" shall include copayments, coinsurance, deductibles, and any  
25 other amounts paid by the covered person for that prescription.

26 C. As used in this Section:

27 (1) "Anti-cancer medications" means medications used to kill or slow the  
28 growth of cancer cells.

1           (2) "Covered person" means a policyholder, subscriber, enrollee, or other  
2           individual enrolled in or insured by a health insurance issuer for health insurance  
3           coverage.

4           (3) "Health insurance coverage" or "coverage" means benefits consisting of  
5           medical care provided or arranged for directly, through insurance or reimbursement,  
6           or through a network, and including services paid for as medical care under any  
7           hospital or medical service policy or certificate, hospital or medical service plan  
8           contract, preferred provider organization agreement, or health maintenance  
9           organization contract offered by a health insurance issuer.

10           (4) "Health insurance issuer" means any entity that offers health insurance  
11           coverage through a policy or certificate of insurance subject to state law that  
12           regulates the business of insurance. For purposes of this Section, a "health insurance  
13           issuer" shall include a health maintenance organization, as defined and licensed  
14           pursuant to Subpart I of Part I of Chapter 2 of this Title, nonfederal government  
15           plans subject to the provisions of Subpart B of this Part, and the Office of Group  
16           Benefits.

17           (5) "Network of providers" or "network" means an entity other than a health  
18           insurance issuer that, through contracts with health care providers, provides or  
19           arranges for access by groups of covered persons to covered health care services by  
20           health care providers who are not otherwise or individually contracted directly with  
21           a health insurance issuer.

22           D. The provisions of this Section shall not apply to the following:

23           (1) Individually underwritten, guaranteed renewable health insurance  
24           policies.

25           (2) Limited benefit health insurance policies or contracts.

26           (3) High deductible health plans or policies that are qualified to be used in  
27           conjunction with a health savings account, a medical savings account, or other  
28           similar program authorized by 26 U.S.C. 220 et seq.

29           (4) Qualified health plans offered through a health benefit exchange.

1 Section 2. This Act shall be applicable to health insurance coverage that provides  
2 coverage for cancer treatment issued for delivery, delivered, renewed, or otherwise  
3 contracted for in this state on or after January 1, 2013.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Cromer

HB No. 693

**Abstract:** Provides for parity for orally administered anti-cancer medications with intravenously administered or injected cancer medications by health insurance issuers which provide coverage for cancer treatment.

Proposed law declares it to be the public policy of this state that every person within this state with health insurance coverage that provides coverage for cancer treatment shall have the right, with his physician, to the type of covered medication used to treat his cancer, as such a decision affects the person's overall, long-term health and quality of life. Also declares that orally administered anti-cancer medications, although very effective in killing or slowing the growth of cancerous cells, have high out-of-pocket costs to the covered person, impacting the decision of physicians to prescribe such medications, thus restricting patient access to life-saving oral cancer medications. Further declares that physicians must be able to make the best choice for their patients, considering the unique aspects of each patient and the progress of the disease.

Proposed law provides that a health insurance issuer that provides coverage for cancer treatment shall provide for coverage of prescribed orally administered anti-cancer medications on a basis no less favorable than intravenously administered or injected cancer medications. Also provides that health insurance coverage of orally administered anti-cancer medications shall not be subject to any prior authorization, dollar limit, copayment, deductible, or other out-of-pocket expense that does not apply to intravenously administered or injected cancer medications, regardless of formulation or benefit category determination by the health insurance issuer. Prohibits a health insurance issuer from reclassifying or increasing any type of cost-sharing to the covered person for anti-cancer medications in order to achieve compliance with proposed law. Also provides that any change in health insurance coverage that otherwise increases an out-of-pocket expense applied to anti-cancer medications shall also be applied to the majority of comparable medical or pharmaceutical benefits covered by the health insurance issuer. Provides that a health insurance issuer that limits the total amount paid by a covered person through all cost-sharing requirements to no more than \$100 per filled prescription for any orally administered anti-cancer medication shall be considered in compliance with proposed law.

Proposed law specifies that it is applicable to health insurance issuers that provide coverage for cancer treatment, including a health maintenance organization, certain nonfederal government plans, and the Office of Group Benefits.

Proposed law specifies that it is not applicable to individual policies, limited benefit policies, certain high deductible plans, and qualified health plans offered through a health benefit exchange.

Proposed law shall be applicable to health insurance coverage that provides coverage for cancer treatment issued for delivery, delivered, renewed, or otherwise contracted for in this state on or after Jan. 1, 2013.

(Adds R.S. 22:999.1)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Added definition of "anti-cancer medications".
2. Added provisions that a health insurance issuer that limits the total amount paid by a covered person through all cost-sharing requirements to no more than \$100 per filled prescription for any orally administered anti-cancer medication shall be considered in compliance with proposed law.
3. Changed inapplicability from those individual and limited benefit policies with the exception of those that cover cancer to individual policies, limited benefit policies, certain high deductible health plans, and qualified health plans offered through a health benefit exchange.