

FILED

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OFFICE WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

Regular Session, 2003

ENROLLED

Committee Substitute for

SENATE BILL NO. 56

(By Senator Chafin)

PASSED

March 7, 2003

In Effect ninety days from **Passage**

FILED

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OFFICE WEST VIRGINIA
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COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 56

(SENATOR CHAFIN, *original sponsor*)

[Passed March 7, 2003; in effect ninety days from passage.]

AN ACT to amend article sixteen, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section three-q; to amend article twenty-four of said chapter by adding thereto a new section, designated section seven-h; to amend article twenty-five of said chapter by adding thereto a new section, designated section eight-f; and to amend article twenty-five-a of said chapter by adding thereto a new section, designated section eight-g, all relating generally to group accident and sickness insurance, hospital service corporations, medical service corporations, dental service corporations, health service corporations, health care corporations and health maintenance organizations; and prohibiting certain contracts of insurance from requiring

subscribers to obtain prescription drugs from a mail-order pharmacy in order to obtain benefits for drugs.

Be it enacted by the Legislature of West Virginia:

That article sixteen, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section three-q; that article twenty-four of said chapter be amended by adding thereto a new section, designated section seven-h; that article twenty-five of said chapter be amended by adding thereto a new section, designated section eight-f; and that article twenty-five-a of said chapter be amended by adding thereto a new section, designated section eight-g, all to read as follows:

ARTICLE 16. GROUP ACCIDENT AND SICKNESS INSURANCE.

§33-16-3q. Required use of mail-order pharmacy prohibited.

1 (a) An insurer issuing group accident and sickness
2 policies in this state pursuant to the provisions of this
3 article may not require any person covered under a
4 contract which provides coverage for prescription drugs to
5 obtain the prescription drugs from a mail-order pharmacy
6 in order to obtain benefits for the drugs.

7 (b) An insurer may not violate the provisions of subsec-
8 tion (a) of this section through the use of an agent or
9 contractor or through the action of an administrator of
10 prescription drug benefits.

11 (c) The insurance commissioner may propose rules for
12 legislative approval in accordance with the provisions of
13 article three, chapter twenty-nine-a of this code to imple-
14 ment and enforce the provisions of this section.

ARTICLE 24. HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS, DENTAL SERVICE CORPORATIONS AND HEALTH SERVICE CORPORATIONS.

§33-24-7h. Required use of mail-order pharmacy prohibited.

1 (a) A corporation defined in section two of this article
2 may not require any person covered under a contract
3 which provides coverage for prescription drugs to obtain
4 the prescription drugs from a mail-order pharmacy in
5 order to obtain benefits for the drugs.

6 (b) A corporation may not violate the provisions of
7 subsection (a) of this section through the use of an agent or
8 contractor or through the action of an administrator of
9 prescription drug benefits.

10 (c) The insurance commissioner may propose rules for
11 legislative approval in accordance with the provisions of
12 article three, chapter twenty-nine-a of this code to imple-
13 ment and enforce the provisions of this section.

ARTICLE 25. HEALTH CARE CORPORATIONS.

§33-25-8f. Required use of mail-order pharmacy prohibited.

1 (a) A health care corporation issuing a contract under
2 the provisions of this article may not require any person
3 covered under a contract which provides coverage for
4 prescription drugs to obtain the prescription drugs from a
5 mail-order pharmacy in order to obtain benefits for the
6 drugs.

7 (b) A health care corporation may not violate the provi-
8 sions of subsection (a) of this section through the use of an
9 agent or contractor or through the action of an adminis-
10 trator of prescription drug benefits.

11 (c) The insurance commissioner may propose rules for
12 legislative approval in accordance with the provisions of
13 article three, chapter twenty-nine-a of this code to imple-
14 ment and enforce the provisions of this section.

ARTICLE 25A. HEALTH MAINTENANCE ORGANIZATION ACT.

§33-25A-8g. Required use of mail-order pharmacy prohibited.

1 (a) A health maintenance organization issuing coverage
2 in this state pursuant to the provisions of this article may

3 not require any person covered under a contract which
4 provides coverage for prescription drugs to obtain the
5 prescription drugs from a mail-order pharmacy in order to
6 obtain benefits for the drugs.

7 (b) A health maintenance organization may not violate
8 the provisions of subsection (a) of this section through the
9 use of an agent or contractor or through the action of an
10 administrator of prescription drug benefits.

11 (c) The insurance commissioner may propose rules for
12 legislative approval in accordance with the provisions of
13 article three, chapter twenty-nine-a of this code to imple-
14 ment and enforce the provisions of this section.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Gregory W. ...
.....
Chairman Senate Committee

Greg Butcher
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Gregory W. ...
.....
Clerk of the Senate *House of Delegates*

Darrell Holman
.....
Clerk of the House of Delegates *Senate*

Carl Ray Tomblin
.....
President of the Senate

Robert Keiss
.....
Speaker House of Delegates

The within *is approved* this the *27th*
March
Day of, 2003.

Bob Wise
.....
Governor

PRESENTED TO THE
GOVERNOR

Date 3.10.03

Time 4.30pm BW