

1 SENATE BILL 347

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Jacob R. Candelaria

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10 AN ACT

11 RELATING TO HEALTH COVERAGE; ENACTING NEW SECTIONS OF THE  
12 HEALTH CARE PURCHASING ACT, THE PUBLIC ASSISTANCE ACT, THE NEW  
13 MEXICO INSURANCE CODE, THE HEALTH MAINTENANCE ORGANIZATION LAW  
14 AND THE NONPROFIT HEALTH CARE PLAN LAW TO ESTABLISH MINIMUM  
15 COVERAGE FOR CERTAIN PRESCRIPTION DRUGS.

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17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. A new section of the Health Care Purchasing  
19 Act is enacted to read:

20 "[NEW MATERIAL] COVERAGE FOR PRESCRIPTION CONTRACEPTIVE  
21 DRUGS OR DEVICES.--

22 A. Group health coverage, including any form of  
23 self-insurance, offered, issued or renewed under the Health  
24 Care Purchasing Act that provides coverage for prescription  
25 drugs shall:

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1 (1) provide coverage for prescription  
2 contraceptive drugs or devices approved by the federal food and  
3 drug administration; and

4 (2) reimburse for up to a twelve-month supply  
5 of a covered prescription contraceptive drug or device, whether  
6 dispensed on one or more occasions; provided that reimbursement  
7 for a covered prescription contraceptive drug or device  
8 prescribed to an enrollee for the first time may be limited to  
9 a three-month supply.

10 B. Rules promulgated pursuant to Subsection A of  
11 this section shall not:

12 (1) require reimbursement for a supply of a  
13 covered prescribed contraceptive drug or device that exceeds  
14 the supply that is medically necessary to provide contraception  
15 for an enrollee for the months remaining in the current policy  
16 year; or

17 (2) require an enrollee to exhaust an existing  
18 supply of a covered prescribed contraceptive drug or device in  
19 order to be reimbursed for a different covered prescribed  
20 contraceptive drug or device for the months remaining in the  
21 policy year."

22 SECTION 2. A new section of the Public Assistance Act is  
23 enacted to read:

24 "[NEW MATERIAL] MEDICAL ASSISTANCE--REIMBURSEMENT FOR A  
25 SEVERAL-MONTH SUPPLY OF COVERED PRESCRIPTION CONTRACEPTIVE

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1 DRUGS OR DEVICES.--

2 A. In accordance with federal law, the secretary  
3 shall adopt and promulgate rules that allow a recipient to fill  
4 or refill a prescription for up to a twelve-month supply of a  
5 prescription contraceptive drug or device, whether dispensed on  
6 one or more occasions; provided that:

7 (1) the recipient is eligible or presumptively  
8 eligible for medical assistance on the date that the  
9 prescription contraceptive drug or device is dispensed; and

10 (2) reimbursement for a prescription  
11 contraceptive drug or device prescribed to a recipient for the  
12 first time may be limited to a three-month supply.

13 B. Nothing in Subsection A of this section shall be  
14 construed to require a recipient to exhaust an existing supply  
15 of a prescribed contraceptive drug or device in order to be  
16 reimbursed for a different prescribed contraceptive drug or  
17 device."

18 SECTION 3. Section 59A-22-42 NMSA 1978 (being Laws 2001,  
19 Chapter 14, Section 1, as amended) is amended to read:

20 "59A-22-42. COVERAGE FOR PRESCRIPTION CONTRACEPTIVE DRUGS  
21 OR DEVICES.--

22 A. Each individual and group health insurance  
23 policy, health care plan and certificate of health insurance  
24 delivered or issued for delivery in this state that provides a  
25 prescription drug benefit shall:

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1                   (1) provide coverage for prescription  
2 contraceptive drugs or devices approved by the federal food and  
3 drug administration; and

4                   (2) make reimbursement for up to a twelve-  
5 month supply of a prescription contraceptive drug or device,  
6 whether dispensed on one or more occasions; provided that  
7 reimbursement for a prescription contraceptive drug or device  
8 prescribed to an insured for the first time may be limited to a  
9 three-month supply.

10                  B. Nothing in Subsection A of this section shall be  
11 construed to:

12                   (1) require reimbursement for a supply of a  
13 prescribed contraceptive drug or device that exceeds the supply  
14 that is medically necessary to provide contraception for the  
15 insured for the months remaining in the current policy year; or

16                   (2) require an insured to exhaust an existing  
17 supply of a prescribed contraceptive drug or device in order to  
18 be reimbursed for a different prescribed contraceptive drug or  
19 device for the months remaining in the policy year.

20                  ~~[B-]~~ C. Coverage for federal food and drug  
21 administration-approved prescription contraceptive drugs or  
22 devices may be subject to deductibles and coinsurance  
23 consistent with those imposed on other benefits under the same  
24 policy, plan or certificate.

25                  ~~[G-]~~ D. The provisions of this section shall not

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1 apply to short-term travel, accident-only or limited or  
2 specified-disease policies.

3 ~~[D-]~~ E. A religious entity purchasing individual or  
4 group health insurance coverage may elect to exclude  
5 prescription contraceptive drugs or devices from the health  
6 coverage purchased."

7 **SECTION 4.** Section 59A-46-44 NMSA 1978 (being Laws 2001,  
8 Chapter 14, Section 3, as amended) is amended to read:

9 "59A-46-44. COVERAGE FOR PRESCRIPTION CONTRACEPTIVE DRUGS  
10 OR DEVICES.--

11 A. Each individual and group health maintenance  
12 organization contract delivered or issued for delivery in this  
13 state that provides a prescription drug benefit shall:

14 (1) provide coverage for prescription  
15 contraceptive drugs or devices approved by the federal food and  
16 drug administration; and

17 (2) make reimbursement for up to a twelve-  
18 month supply of a prescription contraceptive drug or device,  
19 whether dispensed on one or more occasions; provided that  
20 reimbursement for a prescription contraceptive drug or device  
21 prescribed to an enrollee for the first time may be limited to  
22 a three-month supply.

23 B. Nothing in Subsection A of this section shall be  
24 construed to:

25 (1) require reimbursement for a supply of a

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1 prescribed contraceptive drug or device that exceeds the supply  
2 that is medically necessary to provide contraception for the  
3 enrollee for the months remaining in the current policy year;  
4 or

5 (2) require an enrollee to exhaust an existing  
6 supply of a prescribed contraceptive drug or device in order to  
7 be reimbursed for a different prescribed contraceptive drug or  
8 device for the months remaining in the policy year.

9 ~~[B-]~~ C. Coverage for federal food and drug  
10 administration-approved prescription contraceptive drugs or  
11 devices may be subject to deductibles and coinsurance  
12 consistent with those imposed on other benefits under the same  
13 contract.

14 ~~[G-]~~ D. A religious entity purchasing individual or  
15 group health maintenance organization coverage may elect to  
16 exclude prescription contraceptive drugs or devices from the  
17 health coverage purchased."

18 SECTION 5. A new section of the Nonprofit Health Care  
19 Plan Law is enacted to read:

20 "[NEW MATERIAL] COVERAGE FOR PRESCRIPTION CONTRACEPTIVE  
21 DRUGS OR DEVICES.--

22 A. A health care plan that provides a prescription  
23 drug benefit shall:

24 (1) provide coverage for prescription  
25 contraceptive drugs or devices approved by the federal food and

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1 drug administration; and

2 (2) make reimbursement for up to a  
3 twelve-month supply of a prescription contraceptive drug or  
4 device, whether dispensed on one or more occasions; provided  
5 that reimbursement for a prescription contraceptive drug or  
6 device prescribed to a subscriber for the first time may be  
7 limited to a three-month supply.

8 B. Nothing in Subsection A of this section shall be  
9 construed to require:

10 (1) reimbursement for a supply of a prescribed  
11 contraceptive drug or device that exceeds the supply that is  
12 medically necessary to provide contraception for the subscriber  
13 for the months remaining in the current policy year; or

14 (2) a subscriber to exhaust an existing supply  
15 of a prescribed contraceptive drug or device in order to be  
16 reimbursed for a different prescribed contraceptive drug or  
17 device for the months remaining in the policy year.

18 C. Coverage for federal food and drug  
19 administration-approved prescription contraceptive drugs or  
20 devices may be subject to deductibles and coinsurance  
21 consistent with those imposed on other benefits under the same  
22 contract.

23 D. A religious entity purchasing individual or  
24 group health care plan coverage may elect to exclude  
25 prescription contraceptive drugs or devices from the health

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1 coverage purchased."

2 SECTION 6. APPLICABILITY.--The provisions of this act  
3 apply to:

4 A. group health coverage plans issued pursuant to  
5 the Health Care Purchasing Act on or after January 1, 2018;

6 B. individual and group health insurance policies,  
7 health care plans and certificates of insurance delivered, or  
8 issued for delivery, in this state on or after January 1, 2018;

9 C. individual and group health maintenance  
10 organization contracts delivered, or issued for delivery, in  
11 this state on or after January 1, 2018; and

12 D. nonprofit health care plan contracts delivered,  
13 or issued for delivery, in this state on or after January 1,  
14 2018.