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SENATE BILL 385

**50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

INTRODUCED BY

Timothy Z. Jennings

AN ACT

RELATING TO HEALTH INSURANCE; ENACTING NEW SECTIONS OF THE HEALTH CARE PURCHASING ACT, THE HEALTH MAINTENANCE ORGANIZATION LAW AND THE NEW MEXICO INSURANCE CODE TO REQUIRE COVERAGE FOR ORALLY ADMINISTERED ANTICANCER MEDICATIONS.

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

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

"[NEW MATERIAL] COVERAGE FOR ORALLY ADMINISTERED ANTICANCER MEDICATIONS.--

A. Group health coverage, including any form of self-insurance, offered, issued or renewed under the Health Care Purchasing Act that provides coverage for cancer treatment shall provide coverage for a prescribed, orally administered anticancer medication that is used to kill or slow the growth

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1 of cancerous cells on a basis no less favorable than  
2 intravenously administered or injected cancer medications that  
3 are covered as medical benefits by the plan.

4 B. This section does not prohibit a group health  
5 plan from requiring prior authorization for an orally  
6 administered anticancer medication. If an orally administered  
7 anticancer medication is authorized, the enrollee's out-of-  
8 pocket costs shall not be greater than the out-of-pocket costs  
9 for an intravenously administered anticancer medication."

10 SECTION 2. A new section of Chapter 59A, Article 22 NMSA  
11 1978 is enacted to read:

12 "[NEW MATERIAL] COVERAGE FOR ORALLY ADMINISTERED  
13 ANTICANCER MEDICATIONS.--

14 A. An individual or group health insurance policy,  
15 health care plan or certificate of health insurance that is  
16 delivered, issued for delivery or renewed in this state and  
17 that provides coverage for cancer treatment shall provide  
18 coverage for a prescribed, orally administered anticancer  
19 medication that is used to kill or slow the growth of cancerous  
20 cells on a basis no less favorable than intravenously  
21 administered or injected cancer medications that are covered as  
22 medical benefits by the plan.

23 B. This section does not prohibit an individual or  
24 group health insurance policy, health care plan or certificate  
25 of health insurance from requiring prior authorization for an

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1 orally administered anticancer medication. If an orally  
2 administered anticancer medication is authorized, the covered  
3 individual's out-of-pocket costs shall not be greater than the  
4 out-of-pocket costs for an intravenously administered  
5 anticancer medication."

6 SECTION 3. A new section of Chapter 59A, Article 23 NMSA  
7 1978 is enacted to read:

8 "[NEW MATERIAL] COVERAGE FOR ORALLY ADMINISTERED  
9 ANTICANCER MEDICATIONS.--

10 A. A blanket or group health insurance policy or  
11 contract that is delivered, issued for delivery or renewed in  
12 this state and that provides coverage for cancer treatment  
13 shall provide coverage for a prescribed, orally administered  
14 anticancer medication that is used to kill or slow the growth  
15 of cancerous cells on a basis no less favorable than  
16 intravenously administered or injected cancer medications that  
17 are covered as medical benefits by the plan.

18 B. This section does not prohibit a blanket or  
19 group health insurance policy or contract from requiring prior  
20 authorization for an orally administered anticancer medication.  
21 If an orally administered anticancer medication is authorized,  
22 the covered individual's out-of-pocket costs shall not be  
23 greater than the out-of-pocket costs for an intravenously  
24 administered anticancer medication."

25 SECTION 4. A new section of the Health Maintenance

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1 Organization Law is enacted to read:

2 "[NEW MATERIAL] COVERAGE FOR ORALLY ADMINISTERED  
3 ANTICANCER MEDICATIONS.--

4 A. An individual or group health maintenance  
5 organization contract that is delivered, issued for delivery or  
6 renewed in this state and that provides coverage for cancer  
7 treatment shall provide coverage for a prescribed, orally  
8 administered anticancer medication that is used to kill or slow  
9 the growth of cancerous cells on a basis no less favorable than  
10 intravenously administered or injected cancer medications that  
11 are covered as medical benefits by the plan.

12 B. This section does not prohibit a health  
13 maintenance organization from requiring prior authorization for  
14 an orally administered anticancer medication. If an orally  
15 administered anticancer medication is authorized, the covered  
16 individual's out-of-pocket costs shall not be greater than the  
17 out-of-pocket costs for an intravenously administered  
18 anticancer medication."

19 SECTION 5. A new section of Chapter 59A, Article 47 NMSA  
20 1978 is enacted to read:

21 "[NEW MATERIAL] COVERAGE FOR ORALLY ADMINISTERED  
22 ANTICANCER MEDICATIONS.--

23 A. An individual or group health insurance policy,  
24 health care plan or certificate of health insurance that is  
25 delivered, issued for delivery or renewed in this state and

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1 that provides coverage for cancer treatment shall provide  
2 coverage for a prescribed, orally administered anticancer  
3 medication that is used to kill or slow the growth of cancerous  
4 cells on a basis no less favorable than intravenously  
5 administered or injected cancer medications that are covered as  
6 medical benefits by the plan.

7 B. This section does not prohibit a nonprofit  
8 health plan from requiring prior authorization for an orally  
9 administered anticancer medication. If an orally administered  
10 anticancer medication is authorized, the covered individual's  
11 out-of-pocket costs shall not be greater than the out-of-pocket  
12 costs for an intravenously administered anticancer medication."

13 SECTION 6. APPLICABILITY.--The provisions of this act  
14 apply to insurance policies that provide coverage for cancer  
15 treatment and that are delivered, issued for delivery, amended,  
16 renewed or continued in this state on or after January 1, 2012.

17 SECTION 7. EFFECTIVE DATE.--The effective date of the  
18 provisions of this act is June 17, 2011.