

SENATE No. 2096

The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

An Act relative to patient financial protection.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 32A of the General Laws, as appearing in the 2012 Official
2 Edition, is hereby amended by inserting after section 17K the following section:—

3 Section 17L. Any policy, contract, agreement, plan or certificate of insurance issued,
4 delivered or renewed within the commonwealth that provides coverage for prescription drugs
5 shall establish a separate out-of-pocket limit for prescription drugs, including specialty drugs,
6 limited to no more for self-only and family coverage per year than the minimum dollar amounts
7 in effect under section 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 for self-only and
8 family coverage, respectively. For the purposes of this section, the use of the term "out-of-pocket
9 limit" shall be consistent with the definitions of those terms as prescribed by the Secretary of the
10 United States Department of Health and Human Services pursuant to Section 2715 of the federal
11 Affordable Care Act.

12 SECTION 2. Chapter 175 of the General Laws, as appearing in the 2012 Official Edition,
13 is hereby amended by inserting after section 47DD the following section:—

14 Section 47EE. Any policy, contract, agreement, plan or certificate of insurance issued,
15 delivered or renewed within the commonwealth that provides coverage for prescription drugs
16 shall establish a separate out-of-pocket limit for prescription drugs, including specialty drugs,
17 limited to no more for self-only and family coverage per year than the minimum dollar amounts
18 in effect under section 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 for self-only and
19 family coverage, respectively. For the purposes of this section, the use of the term "out-of-pocket
20 limit" shall be consistent with the definitions of those terms as prescribed by the Secretary of the
21 United States Department of Health and Human Services pursuant to Section 2715 of the federal
22 Affordable Care Act.

23 SECTION 3. Chapter 176A of the General Laws, as so appearing, is hereby amended by
24 inserting after section 8FF the following section:—

25 Section 8GG. (a) Any contract between a subscriber and the corporation under an
26 individual or group hospital service plan which is delivered, issued or renewed within the
27 commonwealth that provides coverage for prescription drugs shall establish a separate out-of-
28 pocket limit for prescription drugs, including specialty drugs, limited to no more for self-only
29 and family coverage per year than the minimum dollar amounts in effect under section
30 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 for self-only and family coverage,
31 respectively. For the purposes of this section, the use of the term "out-of-pocket limit" shall be
32 consistent with the definitions of those terms as prescribed by the Secretary of the United States
33 Department of Health and Human Services pursuant to Section 2715 of the federal Affordable
34 Care Act.

35 SECTION 4. Chapter 176B of the General Laws, as so appearing, is hereby amended by
36 inserting after section 4FF the following section:—

37 Section 4GG. (a) Any subscription certificate under an individual or group medical
38 service agreement delivered, issued or renewed within the commonwealth that provides coverage
39 for prescription drugs shall establish a separate out-of-pocket limit for prescription drugs,
40 including specialty drugs, limited to no more for self-only and family coverage per year than the
41 minimum dollar amounts in effect under section 223(c)(2)(A)(i) of the Internal Revenue Code of
42 1986 for self-only and family coverage, respectively. For the purposes of this section, the use of
43 the term "out-of-pocket limit" shall be consistent with the definitions of those terms as prescribed
44 by the Secretary of the United States Department of Health and Human Services pursuant to
45 Section 2715 of the federal Affordable Care Act.

46 SECTION 5. Chapter 176G of the General Laws is hereby amended by inserted after
47 Section 4X the following section:—

48 Section 4Y. (a) Any individual or group health maintenance that provides coverage for
49 prescription drugs shall establish a separate out-of-pocket limit for prescription drugs, including
50 specialty drugs, limited to no more for self-only and family coverage per year than the minimum
51 dollar amounts in effect under section 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 for
52 self-only and family coverage, respectively. For the purposes of this section, the use of the term
53 "out-of-pocket limit" shall be consistent with the definitions of those terms as prescribed by the
54 Secretary of the United States Department of Health and Human Services pursuant to Section
55 2715 of the federal Affordable Care Act.

56 SECTION 6. Sections 1 to 5, inclusive, shall apply to all policies, contracts and
57 certificates of health insurance subject to section 17L of chapter 32A, section 47EE of chapter
58 175, section 8GG of chapter 176A, section 4GG of chapter 176B and section 4Y of chapter 176G
59 of the General Laws which are delivered, issued or renewed on or after January 1, 2015.