

**HOUSE . . . . . No. 828**

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**The Commonwealth of Massachusetts**

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PRESENTED BY:

*Marjorie C. Decker*

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to patient financial protection.

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PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Marjorie C. Decker</i>	<i>25th Middlesex</i>	<i>1/13/2015</i>

**HOUSE . . . . . No. 828**

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By Ms. Decker of Cambridge, a petition (accompanied by bill, House, No. 828) of Marjorie C. Decker relative to regulating separate out-of-pocket insurance limits for prescription drugs, including specialty drugs. Financial Services.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 2293 OF 2013-2014.]

**The Commonwealth of Massachusetts**

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**In the One Hundred and Eighty-Ninth General Court  
(2015-2016)**  
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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 175 of the General Laws is hereby amended by inserting after  
2 section 47DD the following section:-

3           Section 47EE. 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, which shall include specialty  
6 drugs. The out-of-pocket limit shall not exceed the dollar amount set as the minimum annual  
7 deductible for a high deductible health plan under section 223 of the federal Internal Revenue  
8 Code of 1986, 26 U.S.C. §223 (c)(2)(A)(i), for self-only and family coverage, respectively. For  
9 the purposes of this section the term “out-of-pocket limit” shall include expenses that: (1) are a

10 cost-sharing expenditure under section 1302 of the federal Patient Protection and Affordable  
11 Care Act, 42 U.S.C. §18022 (c)(3); and (2) relate to prescription drug coverage.

12 SECTION 2. Chapter 176A of the General Laws is hereby amended by inserting after  
13 section 8FF the following section:-

14 Section 8GG. Any contract between a subscriber and the corporation under an individual  
15 or group hospital service plan which is delivered, issued or renewed within the commonwealth  
16 that provides coverage for prescription drugs shall establish a separate out-of-pocket limit for  
17 prescription drugs, which shall include specialty drugs. The out out-of-pocket limit shall not  
18 exceed the dollar amount set as the minimum annual deductible for a high deductible health plan  
19 under section 223 of the federal Internal Revenue Code of 1986, 26 U.S.C. §223 (c)(2)(A)(i), for  
20 self-only and family coverage, respectively. For the purposes of this section the term “out-of-  
21 pocket limit” shall include expenses that: (1) are a cost-sharing expenditure under section 1302  
22 of the federal Patient Protection and Affordable Care Act, 42 U.S.C. §18022 (c)(3); and (2) relate  
23 to prescription drug coverage.

24 SECTION 3. Chapter 176B of the General Laws is hereby amended by inserting after  
25 section 4FF the following section:-

26 Section 4GG. Any subscription certificate under an individual or group medical service  
27 agreement delivered, issued or renewed within the commonwealth that provides coverage for  
28 prescription drugs shall establish a separate out-of-pocket limit for prescription drugs, which  
29 shall include specialty drugs. The out-of-pocket limit shall not exceed the dollar amount set as  
30 the minimum annual deductible for a high deductible health plan under section 223 of the federal  
31 Internal Revenue Code of 1986, 26 U.S.C. §223 (c)(2)(A)(i), for self-only and family coverage,

32 respectively. For the purposes of this section the term “out-of-pocket limit” shall include  
33 expenses that: (1) are a cost-sharing expenditure under section 1302 of the federal Patient  
34 Protection and Affordable Care Act, 42 U.S.C. §18022 (c)(3); and (2) relate to prescription drug  
35 coverage.

36 SECTION 4. Chapter 176G of the General Laws is hereby amended by inserting after  
37 section 4X the following section:-

38 Section 4Y. (a) Any individual or group health maintenance organization that provides  
39 coverage for prescription drugs shall establish a separate out-of-pocket limit for prescription  
40 drugs, which shall include specialty drugs. The out-of-pocket limit shall not exceed the dollar  
41 amount set as the minimum annual deductible for a high deductible health plan under section  
42 223of the federal Internal Revenue Code of 1986, 26 U.S.C. §223 (c)(2)(A)(i), for self-only and  
43 family coverage, respectively. For the purposes of this section the term “out-of-pocket limit”  
44 shall include expenses that: (1) are a cost-sharing expenditure under section 1302 of the federal  
45 Patient Protection and Affordable Care Act, 42 U.S.C. §18022 (c)(3); and (2) relate to  
46 prescription drug coverage.

47 SECTION 5. This act shall apply to all policies, contracts and certificates of health  
48 insurance subject to section 47EE of chapter 175, section 8GG of chapter 176A, section 4GG of  
49 chapter 176B and section 4Y of chapter 176G of the General Laws delivered, issued or renewed  
50 on or after January 1, 2015.