Second Regular Session Sixty-seventh General Assembly STATE OF COLORADO

REREVISED

This Version Includes All Amendments Adopted in the Second House HOUSE BILL 10-1202

LLS NO. 10-0417.01 Kristen Forrestal

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A BILL FOR AN ACT

101 CONCERNING HEALTH BENEFIT COVERAGE FOR CHEMOTHERAPY
 102 TREATMENT.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

The bill requires a health benefit plan that covers cancer chemotherapy treatment to provide coverage for prescribed, orally administered anticancer medication at a cost to the patient at the same copayment percentage or relative coinsurance amount as is applied to the cost of other cancer medications. Am ended 3rd Reading February 8, 2010

ended 2nd Reading

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SENATE Reading Unam ended March 25,2010

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1 Be it enacted by the General Assembly of the State of Colorado:

2 **SECTION 1. Legislative declaration.** The general assembly 3 finds that for cancer patients in the United States, there is an inequity in 4 how much they have to pay toward the cost of an oral medication and 5 how much they have to pay for an intravenous product that is 6 administered in a physician's office or clinic. The general assembly 7 further finds that when these inequities exist, patients' access to medically 8 necessary, appropriate treatment is often unfairly restricted. The general 9 assembly also acknowledges that oral chemotherapy is the only treatment 10 for some types of cancer where there is no intravenous alternative. 11 Therefore, the general assembly declares that in order to reduce the 12 out-of-pocket costs for cancer patients whose diagnosis requires treatment 13 through orally administered anticancer medication, the cost-sharing 14 responsibilities for these patients shall be equitable to those of patients 15 receiving intravenously administered anticancer medication.

SECTION 2. 10-16-104, Colorado Revised Statutes, is amended
 BY THE ADDITION OF A NEW SUBSECTION to read:

18 10-16-104. Mandatory coverage provisions - definitions. 19 (21) **Oral anticancer medication.** (a) ANY HEALTH BENEFIT PLAN THAT 20 PROVIDES COVERAGE FOR CANCER CHEMOTHERAPY TREATMENT SHALL 21 PROVIDE COVERAGE FOR PRESCRIBED, ORALLY ADMINISTERED 22 ANTICANCER MEDICATION THAT HAS BEEN APPROVED BY THE FEDERAL 23 FOOD AND DRUG ADMINISTRATION AND IS USED TO KILL OR SLOW THE 24 GROWTH OF CANCEROUS CELLS. THE ORALLY ADMINISTERED MEDICATION 25 SHALL BE PROVIDED AT A COST TO THE COVERED PERSON NOT TO EXCEED 26 THE COINSURANCE PERCENTAGE OR THE COPAYMENT AMOUNT AS IS

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1 APPLIED TO AN INTRAVENOUSLY ADMINISTERED OR AN INJECTED CANCER 2 MEDICATION PRESCRIBED FOR THE SAME PURPOSE. A MEDICATION 3 PROVIDED PURSUANT TO THIS SUBSECTION (21) SHALL BE PRESCRIBED 4 ONLY UPON A FINDING THAT IT IS MEDICALLY NECESSARY BY THE 5 TREATING PHYSICIAN FOR THE PURPOSE OF KILLING OR SLOWING THE 6 GROWTH OF CANCEROUS CELLS IN A MANNER THAT IS IN ACCORDANCE 7 WITH NATIONALLY ACCEPTED STANDARDS OF MEDICAL PRACTICE, 8 CLINICALLY APPROPRIATE IN TERMS OF TYPE, FREQUENCY, EXTENT SITE, 9 AND DURATION, AND NOT PRIMARILY FOR THE CONVENIENCE OF THE 10 PATIENT, PHYSICIAN, OR OTHER HEALTH CARE PROVIDER. THIS 11 SUBSECTION (21) DOES NOT REQUIRE THE USE OF ORALLY ADMINISTERED 12 MEDICATIONS AS A REPLACEMENT FOR OTHER CANCER MEDICATIONS. 13 NOTHING IN THIS SUBSECTION (21) PROHIBITS COVERAGE FOR ORAL 14 GENERIC MEDICATIONS IN A HEALTH BENEFIT PLAN. NOTHING IN THIS 15 SUBSECTION (21) PROHIBITS A CARRIER FROM APPLYING AN APPROPRIATE 16 FORMULARY OR OTHER CLINICAL MANAGEMENT TO ANY MEDICATION 17 DESCRIBED IN THIS SUBSECTION (21). FOR THE PURPOSES OF THIS 18 SUBSECTION (21), THE TREATING PHYSICIAN FOR A PATIENT COVERED 19 UNDER A HEALTH MAINTENANCE ORGANIZATION'S HEALTH BENEFIT PLAN 20 SHALL BE A PHYSICIAN WHO IS DESIGNATED BY AND AFFILIATED WITH THE 21 HEALTH MAINTENANCE ORGANIZATION.

(b) A CARRIER SHALL NOT ACHIEVE COMPLIANCE WITH THIS
subsection (21) by imposing an increase in patient out-of-pocket
costs with respect to anti-cancer medications used to kill or
slow the growth of cancerous cells covered under a policy
beyond the modifications permitted pursuant to section
10-16-201.5 (8).

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- SECTION 3. Specified effective date applicability. This act
 shall take effect <u>January 1, 2011</u> and shall apply to policies issued or
 renewed on or after the effective date of this act.
 SECTION 4. Safety clause. The general assembly hereby finds,
- 5 determines, and declares that this act is necessary for the immediate
- 6 preservation of the public peace, health, and safety.