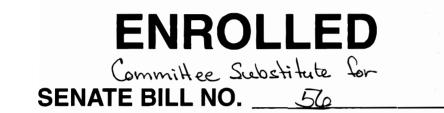
FILED

2003 MAR 27 P 4 44

OFFICE WEST VIRGINIA SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE Legular Session, 2003



(By Senator)
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PASSED March 7, 2003

In Effect hindy days from_Passage

FILED

2003 MAR 27 P 4: 44 OFFICE WEST VIRGINIA SECRETARY OF STATE

ENROLLED

COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 56

(SENATOR CHAFIN, original sponsor)

[Passed March 7, 2003; in effect ninety days from passage.]

AN ACT to amend article sixteen, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section three-q; to amend article twenty-four of said chapter by adding thereto a new section, designated section seven-h; to amend article twenty-five of said chapter by adding thereto a new section, designated section eight-f; and to amend article twenty-five-a of said chapter by adding thereto a new section, designated section eight-g, all relating generally to group accident and sickness insurance, hospital service corporations, medical service corporations, dental service corporations and health maintenance organizations; and prohibiting certain contracts of insurance from requiring

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subscribers to obtain prescription drugs from a mail-order $\Delta W_{\rm c}$ pharmacy in order to obtain benefits for drugs.

Be it enacted by the Legislature of West Virginia:

That article sixteen, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section three-q; that article twenty-four of said chapter be amended by adding thereto a new section, designated section seven-h; that article twenty-five of said chapter be amended by adding thereto a new section, designated section eight-f; and that article twenty-five-a of said chapter be amended by adding thereto a new section, designated section eight-f; and that article

ARTICLE 16. GROUP ACCIDENT AND SICKNESS INSURANCE.

§33-16-3q. Required use of mail-order pharmacy prohibited.

(a) An insurer issuing group accident and sickness
 policies in this state pursuant to the provisions of this
 article may not require any person covered under a
 contract which provides coverage for prescription drugs to
 obtain the prescription drugs from a mail-order pharmacy
 in order to obtain benefits for the drugs.

7 (b) An insurer may not violate the provisions of subsec8 tion (a) of this section through the use of an agent or
9 contractor or through the action of an administrator of
10 prescription drug benefits.

(c) The insurance commissioner may propose rules for
legislative approval in accordance with the provisions of
article three, chapter twenty-nine-a of this code to implement and enforce the provisions of this section.

ARTICLE 24. HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS, DENTAL SERVICE CORPORATIONS AND HEALTH SERVICE CORPORATIONS.

§33-24-7h. Required use of mail-order pharmacy prohibited.

(a) A corporation defined in section two of this article
 may not require any person covered under a contract
 which provides coverage for prescription drugs to obtain
 the prescription drugs from a mail-order pharmacy in
 order to obtain benefits for the drugs.

6 (b) A corporation may not violate the provisions of 7 subsection (a) of this section through the use of an agent or 8 contractor or through the action of an administrator of 9 prescription drug benefits.

(c) The insurance commissioner may propose rules for
legislative approval in accordance with the provisions of
article three, chapter twenty-nine-a of this code to implement and enforce the provisions of this section.

ARTICLE 25. HEALTH CARE CORPORATIONS.

§33-25-8f. Required use of mail-order pharmacy prohibited.

- 1 (a) A health care corporation issuing a contract under 2 the provisions of this article may not require any person 3 covered under a contract which provides coverage for 4 prescription drugs to obtain the prescription drugs from a 5 mail-order pharmacy in order to obtain benefits for the 6 drugs.
- (b) A health care corporation may not violate the provisions of subsection (a) of this section through the use of an
 agent or contractor or through the action of an adminis-
- 10 trator of prescription drug benefits.
- 11 (c) The insurance commissioner may propose rules for
- 12 legislative approval in accordance with the provisions of
- 13 article three, chapter twenty-nine-a of this code to imple-
- 14 ment and enforce the provisions of this section.

ARTICLE 25A. HEALTH MAINTENANCE ORGANIZATION ACT.

§33-25A-8g. Required use of mail-order pharmacy prohibited.

- 1 (a) A health maintenance organization issuing coverage
- 2 $\,$ in this state pursuant to the provisions of this article may

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not require any person covered under a contract which
provides coverage for prescription drugs to obtain the
prescription drugs from a mail-order pharmacy in order to
obtain benefits for the drugs.

- 7 (b) A health maintenance organization may not violate
 8 the provisions of subsection (a) of this section through the
 9 use of an agent or contractor or through the action of an
 10 administrator of prescription drug benefits.
- (c) The insurance commissioner may propose rules for
 legislative approval in accordance with the provisions of
 article three, chapter twenty-nine-a of this code to imple-
- 14 ment and enforce the provisions of this section.

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The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

J. J. J. L. V. C. Senate Committee Chairman

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk-of the Senate O toma 1 Ulda *Clerk of the House of Delegates*

President of the Senate

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Speaker House of Delegates

beou this the..(The within. Day of A..., 2003. Governor



PRESENTED TO THE GOVERNOR Date 3.10.03 Time 4.30pm BN