

SUBSTITUTE FOR
SENATE BILL NO. 492

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3406u.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3406U. (1) A HEALTH INSURANCE POLICY DELIVERED, ISSUED
2 FOR DELIVERY, OR RENEWED IN THIS STATE THAT PROVIDES COVERAGE FOR
3 PRESCRIBED ORALLY ADMINISTERED ANTICANCER MEDICATIONS AND
4 INTRAVENOUSLY ADMINISTERED OR INJECTED ANTICANCER MEDICATIONS MUST
5 ENSURE BOTH OF THE FOLLOWING:

6 (A) THAT THE HEALTH INSURANCE POLICY ENSURES EITHER OF THE
7 FOLLOWING:

8 (i) THAT FINANCIAL REQUIREMENTS APPLICABLE TO PRESCRIBED
9 ORALLY ADMINISTERED ANTICANCER MEDICATIONS ARE NO MORE RESTRICTIVE
10 THAN THE FINANCIAL REQUIREMENTS APPLIED TO INTRAVENOUSLY

1 ADMINISTERED OR INJECTED ANTICANCER MEDICATIONS THAT ARE COVERED BY
2 THE HEALTH INSURANCE POLICY AND THAT THERE ARE NO SEPARATE COST-
3 SHARING REQUIREMENTS THAT ARE APPLICABLE ONLY TO PRESCRIBED ORALLY
4 ADMINISTERED ANTICANCER MEDICATIONS.

5 (ii) THAT THE FINANCIAL REQUIREMENT FOR ORALLY ADMINISTERED
6 ANTICANCER MEDICATION DOES NOT EXCEED \$100.00 PER 30-DAY SUPPLY.
7 BEGINNING JANUARY 1, 2019, AND EACH JANUARY 1 THEREAFTER, THE
8 DEPARTMENT SHALL ADJUST THE FINANCIAL REQUIREMENT DESCRIBED IN THIS
9 SUBPARAGRAPH BY AN AMOUNT DETERMINED BY THE STATE TREASURER THAT
10 REFLECTS THE CUMULATIVE ANNUAL CHANGE IN THE PRESCRIPTION DRUG
11 INDEX OF THE MEDICAL CARE COMPONENT OF THE UNITED STATES CONSUMER
12 PRICE INDEX.

13 (B) THAT TREATMENT LIMITATIONS APPLICABLE TO PRESCRIBED ORALLY
14 ADMINISTERED ANTICANCER MEDICATIONS ARE NO MORE RESTRICTIVE THAN
15 THE TREATMENT LIMITATIONS APPLIED TO INTRAVENOUSLY ADMINISTERED OR
16 INJECTED ANTICANCER MEDICATIONS THAT ARE COVERED BY THE HEALTH
17 INSURANCE POLICY AND THAT THERE ARE NO SEPARATE TREATMENT
18 LIMITATIONS THAT ARE APPLICABLE ONLY TO PRESCRIBED ORALLY
19 ADMINISTERED ANTICANCER MEDICATIONS.

20 (2) BEGINNING WITH THE EFFECTIVE DATE OF THE AMENDATORY ACT
21 THAT ADDED THIS SECTION, AN INSURER CANNOT ACHIEVE COMPLIANCE WITH
22 THIS SECTION BY DOING ANY OF THE FOLLOWING:

23 (A) INCREASING FINANCIAL REQUIREMENTS.

24 (B) RECLASSIFYING BENEFITS WITH RESPECT TO ANTICANCER
25 MEDICATIONS.

26 (C) IMPOSING MORE RESTRICTIVE TREATMENT LIMITATIONS ON
27 PRESCRIBED ORALLY ADMINISTERED ANTICANCER MEDICATIONS OR

1 INTRAVENOUSLY ADMINISTERED OR INJECTED ANTICANCER MEDICATIONS
2 COVERED UNDER THE POLICY, CERTIFICATE, OR CONTRACT.

3 (3) FOR A HEALTH INSURANCE POLICY THAT IS A HIGH-DEDUCTIBLE
4 PLAN AS THAT TERM IS DEFINED IN 26 USC 223(C)(2), THE REQUIREMENTS
5 UNDER SUBSECTION (1)(A) APPLY ONLY AFTER THE MINIMUM ANNUAL
6 DEDUCTIBLE SPECIFIED IN 26 USC 223(C)(2) IS REACHED.

7 (4) THIS SECTION DOES NOT PROHIBIT AN INSURER FROM APPLYING
8 UTILIZATION MANAGEMENT TECHNIQUES, INCLUDING PRIOR AUTHORIZATION,
9 STEP THERAPY, LIMITS ON QUANTITY DISPENSED, AND DAYS' SUPPLY PER
10 FILL FOR ANY ADMINISTERED ANTICANCER MEDICATION.

11 (5) THIS SECTION DOES NOT APPLY TO A HEALTH INSURANCE POLICY
12 THAT PROVIDES COVERAGE FOR SPECIFIC DISEASES OR ACCIDENTS ONLY, OR
13 TO A HOSPITAL INDEMNITY, MEDICARE SUPPLEMENT, LONG-TERM CARE,
14 DISABILITY INCOME, OR 1-TIME LIMITED DURATION POLICY OR CERTIFICATE
15 THAT HAS A TERM OF 6 MONTHS OR LESS.

16 (6) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2), THIS
17 SECTION APPLIES TO HEALTH INSURANCE POLICIES DELIVERED, EXECUTED,
18 ISSUED, AMENDED, ADJUSTED, OR RENEWED IN THIS STATE, OR OUTSIDE OF
19 THIS STATE IF COVERING RESIDENTS OF THIS STATE, AFTER DECEMBER 31,
20 2018.

21 (7) AS USED IN THIS SECTION:

22 (A) "ANTICANCER MEDICATION" MEANS A MEDICATION USED TO KILL,
23 SLOW, OR PREVENT THE GROWTH OF CANCEROUS CELLS.

24 (B) "FINANCIAL REQUIREMENT" MEANS DEDUCTIBLES, COPAYMENTS,
25 COINSURANCE, OUT-OF-POCKET EXPENSES, AGGREGATE LIFETIME LIMITS, AND
26 ANNUAL LIMITS.

27 (C) "TREATMENT LIMITATION" MEANS LIMITS ON THE FREQUENCY OF

1 TREATMENT, DAYS OF COVERAGE, OR OTHER SIMILAR LIMITS ON THE SCOPE
2 OR DURATION OF TREATMENT. TREATMENT LIMITATION DOES NOT INCLUDE THE
3 APPLICATION OF UTILIZATION MANAGEMENT TECHNIQUES DESCRIBED IN
4 SUBSECTION (4).