

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2260 Session of
2000

INTRODUCED BY ORIE, GEORGE, WALKO, LAUGHLIN, E. Z. TAYLOR,
SOLOBAY, McILHINNEY, THOMAS, HENNESSEY, BELARDI, BELFANTI,
TRICH, VAN HORNE, DALEY, PETRARCA, CURRY, MANDERINO, TRELLO,
M. COHEN, HARHAI, R. MILLER, YOUNGBLOOD, JOSEPHS AND
COLAFELLA, FEBRUARY 15, 2000

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 15, 2000

AN ACT

1 Amending the act of December 20, 1996 (P.L.1492, No.191),
2 entitled "An act providing for certain health insurance
3 policies to cover the cost of formulas necessary for the
4 treatment of phenylketonuria and related disorders,"
5 requiring coverage for treatment of certain intestinal
6 disorders.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Sections 2, 4, 6 and 7 of the act of December 20,
10 1996 (P.L.1492, No.191), known as the Medical Foods Insurance
11 Coverage Act, are amended to read:

12 Section 2. Declaration of policy.

13 The General Assembly finds and declares as follows:

14 (1) Phenylketonuria (PKU), branched-chain ketonuria,
15 galactosemia and homocystinuria are aminoacidopathies that
16 are rare hereditary genetic metabolic disorders.

17 (2) Lacking in these aminoacidopathies is the body's
18 ability to process or metabolize amino acids, and, if left

1 untreated or without proper therapeutic management, these
2 disorders cause severe mental retardation and chronic
3 physical disabilities.

4 (3) The only form of treatment is by restricting food
5 intake in order to remove the problem amino acids, which are
6 necessary in the diet, and then replenishing them in
7 carefully controlled measured amounts of a nutritional food
8 substitute.

9 (4) In an attempt to encourage the development of new
10 products, increase availability and reduce cost, formulas
11 were removed from the Federal prescription list and
12 reclassified as medical foods. An unfortunate side effect has
13 been the reluctance of many insurance companies to cover the
14 cost of these formulas. In instances where coverage is
15 provided, it is random and subject to inconsistent
16 interpretation.

17 (5) The intent of this legislation is not to require
18 insurance coverage for normal food products used in dietary
19 management of these disorders, but to provide for such
20 coverage of formulas administered under the direction of a
21 physician that are equivalent to a prescription drug
22 medically necessary for the therapeutic treatment of such
23 rare hereditary genetic metabolic disorders [and administered
24 under the direction of a physician] or for treatment of the
25 diseases described in section 4(2).

26 (6) In recognition by the General Assembly that such
27 formulas are medically necessary and critical to the well-
28 being of individuals afflicted with rare hereditary genetic
29 metabolic disorders, it shall be required that health
30 insurance policies issued in this Commonwealth shall include

such coverage.

Section 4. Medical foods insurance coverage.

Except as provided in section 7, any health insurance policy which is delivered, issued for delivery, renewed, extended or modified in this Commonwealth by any health care insurer shall provide that the health insurance benefits applicable under the policy include coverage for the cost of nutritional supplements (formulas) and commercially available external formulas as medically necessary for the therapeutic treatment of [phenylketonuria,] all of the following:

(1) Phenylketonuria, branched-chain ketonuria, galactosemia and homocystinuria as administered under the direction of a physician.

(2) Inflammatory diseases and allergy diseases of the intestinal tract which cause severe hematemesis or severe hematochozia, including, but not limited to, enterocolitis.

Section 6. Cost-sharing provisions.

(a) Applicability.--Benefits for [nutritional supplements (formulas) as medically necessary for the therapeutic treatment of phenylketonuria, branched-chain ketonuria, galactosemia and homocystinuria as administered under the direction of a physician] formulas described in section 4 shall be subject to copayment and coinsurance provisions of a health insurance policy to the extent that other medical services covered by the policy are subject to those provisions.

(b) Exemption.--Benefits for [nutritional supplements (formulas) as medically necessary for the therapeutic treatment of phenylketonuria, branched-chain ketonuria, galactosemia and homocystinuria as administered under the direction of a physician] formulas described in section 4 shall be exempt from

1 deductible provisions in a health insurance policy. This
2 exemption must be explicitly provided for in the policy.

3 Section 7. Exemption.

4 Notwithstanding sections 4 and 5, this act shall not be
5 construed to require a health insurance policy to include
6 coverage for nutritional supplements (formulas) [as medically
7 necessary for the therapeutic treatment of phenylketonuria,
8 branched-chain ketonuria, galactosemia and homocystinuria as
9 administered under the direction of a physician] or commercially
10 available external formulas for an individual who is a resident
11 of this Commonwealth if all of the following apply:

12 (1) The individual is employed outside this
13 Commonwealth.

14 (2) The individual's employer maintains a health
15 insurance policy for the individual as an employment benefit.

16 Section 2. This act shall take effect in 60 days.