

GREEN SHEET REDIGEST

HB 119

2019 Regular Session

Bishop

**INSURANCE/HEALTH: Provides relative to the denial of a prescription based upon step therapy or fail first protocols or nonformulary status.**

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DIGEST

Present law requires, notwithstanding the provisions of present law to the contrary, any health coverage plan which includes prescription benefits as part of its policy or contract, which utilizes step therapy or fail first protocols, and which is issued for delivery, delivered, renewed, or otherwise contracted for in this state on or after Jan. 1, 2011, to comply with the provisions of present law.

Proposed law retains present law but makes technical changes including the removal of a reference to a repealed statute.

Proposed law further requires, if a prescribed drug is denied by a health coverage plan based upon step therapy or fail first protocols, the health coverage plan to provide the prescriber with a list of the alternative comparable formulary medications in writing and attached to the letter of denial of prescription drug coverage. Allows the use of electronic notification if the provider utilizes electronic health records (EHRs).

Present law sets forth required actions by the issuer of a health benefit plan that covers prescription drugs and uses one or more drug formularies to specify the prescription drugs covered under the plan.

Proposed law retains present law and adds the requirement that, if a prescribed drug is denied based upon the drug's nonformulary status, the issuer shall provide the prescriber with a list of the alternative comparable formulary medications in writing and attached to the letter of denial of prescription drug coverage. Further provides for notification to the prescriber of an included drug in the same class and used for the same treatment as the excluded drug.

It is sufficient to meet the requirements of proposed law if the issuer of the health coverage plan or health benefit plan includes the required information in the denial letter sent by the health coverage plan or its agent. Allows the use of electronic notification if the provider utilizes electronic health records (EHRs).

Simple notification of the availability and location of the formulary shall not be deemed sufficient to meet the requirements of proposed law.

Proposed law specifies that proposed law shall become effective on January 1, 2020. Provides, however, that the provisions of proposed law regarding notices that are sent in a manner other than electronically, shall not be enforceable against any health insurance issuer or health maintenance organization for acts taking place prior to July 1, 2020.

(Amends R.S. 22:1053(A) and (D) and 1060.2(intro. para.); Adds R.S. 22:1053(E) and 1060.2(4))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Change the requirement to provide a list of alternative disease-specific medications to a requirement to provide alternative comparable medications.
2. Authorize an insurer to provide the list of medications in the denial letter sent by the health coverage plan or its agent.

3. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Make technical corrections to change the phrase "health coverage plan" to the statutorily defined phrase "health benefit plan".

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the reengrossed bill

1. Provide for electronic notification.
2. Provide an effective date and implementation provisions.
3. Provide for notification to the prescriber of an included drug that is in the same class and used for the same treatment as the excluded drug.