



General Assembly

Raised Bill No. 857

January Session, 2013

LCO No. 2756



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING THE USE OF STEP THERAPY FOR AND OFF-LABEL PRESCRIBING OF PRESCRIPTION DRUGS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-510 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2014*):

3 (a) No individual health insurance policy [issued on an individual
4 basis, whether issued] delivered, issued for delivery, renewed,
5 amended or continued in this state by an insurance company, a
6 hospital service corporation, a medical service corporation or a health
7 care center, [which] that provides coverage for prescription drugs may
8 require any person covered under such policy to obtain prescription
9 drugs from a mail order pharmacy as a condition of obtaining benefits
10 for such drugs.

11 [(b) The provisions of this section shall apply to any such policy
12 delivered, issued for delivery, renewed, amended or continued in this
13 state on or after July 1, 2005.]

14 (b) No such policy may require any person covered under such
15 policy to use any alternative brand name prescription drugs or over-
16 the-counter drugs prior to using a brand name prescription drug
17 prescribed by a licensed physician, except that such policy may require
18 any person covered under such policy to use a therapeutically-
19 equivalent generic drug prior to using a brand name prescription drug
20 prescribed by a licensed physician.

21 (c) (1) If such policy requires the use of step therapy, such policy
22 may not (A) require failure on the same prescription drug more than
23 once, or (B) impose a copayment greater than the lowest cost
24 copayment for preferred drugs in the same class on any person
25 covered under such policy who has satisfied, in the judgment of the
26 prescribing physician, the step therapy requirements of such policy.
27 For purposes of this subsection, "step therapy" means protocols that
28 establish specific sequences for the prescribing of prescription drugs
29 for a specified medical condition.

30 (2) Nothing in subdivision (1) of this subsection shall be construed
31 to prohibit the use of tiered copayments for any person covered under
32 such policy who is not subject to the use of step therapy.

33 Sec. 2. Section 38a-544 of the general statutes is repealed and the
34 following is substituted in lieu thereof (*Effective January 1, 2014*):

35 (a) No group medical benefits contract [on a group basis, whether
36 issued] delivered, issued for delivery, renewed, amended or continued
37 in this state by an insurance company, a hospital service corporation, a
38 medical service corporation or a health care center, [which] that
39 provides coverage for prescription drugs may require any person
40 covered under such contract to obtain prescription drugs from a mail
41 order pharmacy as a condition of obtaining benefits for such drugs.

42 [(b) The provisions of this section shall apply to any such medical
43 benefits contract delivered, issued for delivery or renewed in this state
44 on or after July 1, 1989.]

45 (b) No such policy may require any person covered under such
46 policy to use any alternative brand name prescription drugs or over-
47 the-counter drugs prior to using a brand name prescription drug
48 prescribed by a licensed physician, except that such policy may require
49 any person covered under such policy to use a therapeutically-
50 equivalent generic drug prior to using a brand name prescription drug
51 prescribed by a licensed physician.

52 (c) (1) If such policy requires the use of step therapy, such policy
53 may not (A) require failure on the same prescription drug more than
54 once, or (B) impose a copayment greater than the lowest cost
55 copayment for preferred drugs in the same class on any person
56 covered under such policy who has satisfied, in the judgment of the
57 prescribing physician, the step therapy requirements of such policy.
58 For purposes of this subsection, "step therapy" means protocols that
59 establish specific sequences for the prescribing of prescription drugs
60 for a specified medical condition.

61 (2) Nothing in subdivision (1) of this subsection shall be construed
62 to prohibit the use of tiered copayments for any person covered under
63 such policy who is not subject to the use of step therapy.

64 Sec. 3. Section 38a-492b of the general statutes is repealed and the
65 following is substituted in lieu thereof (*Effective January 1, 2014*):

66 (a) Each individual health insurance policy delivered, issued for
67 delivery, renewed, amended or continued in this state, that provides
68 coverage for prescribed drugs approved by the federal Food and Drug
69 Administration for treatment of certain types of cancer or disabling or
70 life-threatening chronic diseases, shall not exclude coverage of any
71 such drug on the basis that such drug has been prescribed for the
72 treatment of a type of cancer or a disabling or life-threatening chronic
73 disease for which the drug has not been approved by the federal Food
74 and Drug Administration, provided the drug is recognized for
75 treatment of the specific type of cancer or a disabling or life-
76 threatening chronic disease for which the drug has been prescribed in

77 one of the following established reference compendia: (1) The U.S.
78 Pharmacopoeia Drug Information Guide for the Health Care
79 Professional (USP DI); (2) The American Medical Association's Drug
80 Evaluations (AMA DE); or (3) The American Society of Hospital
81 Pharmacists' American Hospital Formulary Service Drug Information
82 (AHFS-DI).

83 (b) Such policy shall not require, as a condition of coverage, the use
84 of any prescription drug for a condition for which such drug has not
85 been approved by the federal Food and Drug Administration, unless
86 such drug is prescribed by such person's treating health care provider.

87 [(b)] (c) Nothing in subsection (a) of this section shall be construed
88 to require coverage for any experimental or investigational drugs or
89 any drug which the federal Food and Drug Administration has
90 determined to be contraindicated for treatment of the specific type of
91 cancer or disabling or life-threatening chronic disease for which the
92 drug has been prescribed.

93 [(c)] (d) Except as specified, nothing in this section shall be
94 construed to create, impair, limit or modify authority to provide
95 reimbursement for drugs used in the treatment of any other disease or
96 condition.

97 Sec. 4. Section 38a-518b of the general statutes is repealed and the
98 following is substituted in lieu thereof (*Effective January 1, 2014*):

99 (a) Each group health insurance policy delivered, issued for
100 delivery, renewed, amended or continued in this state, that provides
101 coverage for prescribed drugs approved by the federal Food and Drug
102 Administration for treatment of certain types of cancer or disabling or
103 life-threatening chronic diseases, shall not exclude coverage of any
104 such drug on the basis that such drug has been prescribed for the
105 treatment of a type of cancer or a disabling or life-threatening chronic
106 disease for which the drug has not been approved by the federal Food
107 and Drug Administration, provided the drug is recognized for

108 treatment of the specific type of cancer or a disabling or life-
109 threatening chronic disease for which the drug has been prescribed in
110 one of the following established reference compendia: (1) The U.S.
111 Pharmacopoeia Drug Information Guide for the Health Care
112 Professional (USP DI); (2) The American Medical Association's Drug
113 Evaluations (AMA DE); or (3) The American Society of Hospital
114 Pharmacists' American Hospital Formulary Service Drug Information
115 (AHFS-DI).

116 (b) Such policy shall not require, as a condition of coverage, the use
117 of any prescription drug for a condition for which such drug has not
118 been approved by the federal Food and Drug Administration, unless
119 such drug is prescribed by such person's treating health care provider.

120 [(b)] (c) Nothing in subsection (a) of this section shall be construed
121 to require coverage for any experimental or investigational drugs or
122 any drug which the federal Food and Drug Administration has
123 determined to be contraindicated for treatment of the specific type of
124 cancer or a disabling or life-threatening chronic disease for which the
125 drug has been prescribed.

126 [(c)] (d) Except as specified, nothing in this section shall be
127 construed to create, impair, limit or modify authority to provide
128 reimbursement for drugs used in the treatment of any other disease or
129 condition.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2014</i>	38a-510
Sec. 2	<i>January 1, 2014</i>	38a-544
Sec. 3	<i>January 1, 2014</i>	38a-492b
Sec. 4	<i>January 1, 2014</i>	38a-518b

INS *Joint Favorable*