



General Assembly

February Session, 2016

Raised Bill No. 5517

LCO No. 1660



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING COST-SHARING FOR 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 Section 38a-510 of the general statutes is repealed and the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, 2017*):

3 [(a)] No insurance company, hospital service corporation, medical
4 service corporation, health care center or other entity delivering,
5 issuing for delivery, renewing, amending or continuing an individual
6 health insurance policy or contract that provides coverage for
7 prescription drugs may:

8 (1) Require any person covered under such policy or contract to
9 obtain prescription drugs from a mail order pharmacy as a condition
10 of obtaining benefits for such drugs; [or]

11 (2) Impose a coinsurance, copayment, deductible or other out-of-
12 pocket expense that exceeds one hundred dollars per thirty-day supply
13 for a covered prescription drug, except that a high deductible health

14 plan, as that term is used in subsection (f) of section 38a-493, shall not
15 be subject to the deductible provision set forth in this subdivision until
16 after the minimum annual deductible for such plan has been met;

17 (3) Place all prescription drugs in a given class in the highest cost-
18 sharing tier of a tiered prescription drug formulary; or

19 ~~[(2)]~~ (4) (A) Require, if such insurance company, hospital service
20 corporation, medical service corporation, health care center or other
21 entity uses step therapy for such drugs, the use of step therapy for any
22 prescribed drug for longer than sixty days. At the expiration of such
23 time period, an insured's treating health care provider may deem such
24 step therapy drug regimen clinically ineffective for the insured, at
25 which time the insurance company, hospital service corporation,
26 medical service corporation, health care center or other entity shall
27 authorize dispensation of and coverage for the drug prescribed by the
28 insured's treating health care provider, provided such drug is a
29 covered drug under such policy or contract. If such provider does not
30 deem such step therapy drug regimen clinically ineffective or has not
31 requested an override pursuant to [subdivision (1) of subsection (b) of
32 this section] subparagraph (B) of this subdivision, such drug regimen
33 may be continued. For purposes of this [section] subdivision, "step
34 therapy" means a protocol or program that establishes the specific
35 sequence in which prescription drugs for a specified medical condition
36 are to be prescribed.

37 ~~[(b) (1)]~~ (B) Notwithstanding the sixty-day period set forth in
38 [subdivision (2) of subsection (a) of this section] subparagraph (A) of
39 this subdivision, each insurance company, hospital service
40 corporation, medical service corporation, health care center or other
41 entity that uses step therapy for such prescription drugs shall establish
42 and disclose to its health care providers a process by which an
43 insured's treating health care provider may request at any time an
44 override of the use of any step therapy drug regimen. Any such
45 override process shall be convenient to use by health care providers

46 and an override request shall be expeditiously granted when an
47 insured's treating health care provider demonstrates that the drug
48 regimen required under step therapy [(A)] (i) has been ineffective in
49 the past for treatment of the insured's medical condition, [(B)] (ii) is
50 expected to be ineffective based on the known relevant physical or
51 mental characteristics of the insured and the known characteristics of
52 the drug regimen, [(C)] (iii) will cause or will likely cause an adverse
53 reaction by or physical harm to the insured, or [(D)] (iv) is not in the
54 best interest of the insured, based on medical necessity.

55 [(2)] (C) Upon the granting of an override request, the insurance
56 company, hospital service corporation, medical service corporation,
57 health care center or other entity shall authorize dispensation of and
58 coverage for the drug prescribed by the insured's treating health care
59 provider, provided such drug is a covered drug under such policy or
60 contract.

61 [(c)] (D) Nothing in this [section] subdivision shall [(1)] (i) preclude
62 an insured or an insured's treating health care provider from
63 requesting a review under sections 38a-591c to 38a-591g, inclusive, or
64 [(2)] (ii) affect the provisions of section 38a-492i.

65 Sec. 2. Section 38a-544 of the general statutes is repealed and the
66 following is substituted in lieu thereof (*Effective January 1, 2017*):

67 [(a)] No insurance company, hospital service corporation, medical
68 service corporation, health care center or other entity delivering,
69 issuing for delivery, renewing, amending or continuing a group health
70 insurance policy or contract that provides coverage for prescription
71 drugs may:

72 (1) Require any person covered under such policy or contract to
73 obtain prescription drugs from a mail order pharmacy as a condition
74 of obtaining benefits for such drugs; [or]

75 (2) Impose a coinsurance, copayment, deductible or other out-of-

76 pocket expense that exceeds one hundred dollars per thirty-day supply
77 for a covered prescription drug, except that a high deductible health
78 plan, as that term is used in subsection (f) of section 38a-520, shall not
79 be subject to the deductible provision set forth in this subdivision until
80 after the minimum annual deductible for such plan has been met;

81 (3) Place all prescription drugs in a given class in the highest cost-
82 sharing tier of a tiered prescription drug formulary; or

83 ~~[(2)]~~ (4) (A) Require, if such insurance company, hospital service
84 corporation, medical service corporation, health care center or other
85 entity uses step therapy for such drugs, the use of step therapy for any
86 prescribed drug for longer than sixty days. At the expiration of such
87 time period, an insured's treating health care provider may deem such
88 step therapy drug regimen clinically ineffective for the insured, at
89 which time the insurance company, hospital service corporation,
90 medical service corporation, health care center or other entity shall
91 authorize dispensation of and coverage for the drug prescribed by the
92 insured's treating health care provider, provided such drug is a
93 covered drug under such policy or contract. If such provider does not
94 deem such step therapy drug regimen clinically ineffective or has not
95 requested an override pursuant to [subdivision (1) of subsection (b) of
96 this section] subparagraph (B) of this subdivision, such drug regimen
97 may be continued. For purposes of this [section] subdivision, "step
98 therapy" means a protocol or program that establishes the specific
99 sequence in which prescription drugs for a specified medical condition
100 are to be prescribed.

101 ~~[(b) (1)]~~ (B) Notwithstanding the sixty-day period set forth in
102 [subdivision (2) of subsection (a) of this section] subparagraph (A) of
103 this subdivision, each insurance company, hospital service
104 corporation, medical service corporation, health care center or other
105 entity that uses step therapy for such prescription drugs shall establish
106 and disclose to its health care providers a process by which an
107 insured's treating health care provider may request at any time an

108 override of the use of any step therapy drug regimen. Any such
109 override process shall be convenient to use by health care providers
110 and an override request shall be expeditiously granted when an
111 insured's treating health care provider demonstrates that the drug
112 regimen required under step therapy [(A)] (i) has been ineffective in
113 the past for treatment of the insured's medical condition, [(B)] (ii) is
114 expected to be ineffective based on the known relevant physical or
115 mental characteristics of the insured and the known characteristics of
116 the drug regimen, [(C)] (iii) will cause or will likely cause an adverse
117 reaction by or physical harm to the insured, or [(D)] (iv) is not in the
118 best interest of the insured, based on medical necessity.

119 [(2)] (C) Upon the granting of an override request, the insurance
120 company, hospital service corporation, medical service corporation,
121 health care center or other entity shall authorize dispensation of and
122 coverage for the drug prescribed by the insured's treating health care
123 provider, provided such drug is a covered drug under such policy or
124 contract.

125 [(c)] (D) Nothing in this [section] subdivision shall [(1)] (i) preclude
126 an insured or an insured's treating health care provider from
127 requesting a review under sections 38a-591c to 38a-591g, inclusive, or
128 [(2)] (ii) affect the provisions of section 38a-518i.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2017</i>	38a-510
Sec. 2	<i>January 1, 2017</i>	38a-544

Statement of Purpose:

To limit coinsurance, copayments, deductibles or other out-of-pocket expenses imposed on insureds for prescription drugs.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]