Session of 2016

## HOUSE BILL No. 2720

By Committee on Federal and State Affairs

3-8

AN ACT concerning healthcare and health insurance; relating to health 1 2 benefit plan coverage; prescription medication; restricting the use of 3 step therapy protocols. 4 5 Be it enacted by the Legislature of the State of Kansas: 6 Section 1. (a) As used in this section: 7 (1) "Health benefit plan" means the same as defined in K.S.A. 40-8 4602, and amendments thereto. 9 (2) "Health insurer" means the same as defined in K.S.A. 40-4602, 10 and amendments thereto. "Step therapy protocol" means a protocol or program used by a 11 (3)12 health insurer providing or administering a health benefit plan to require a

health insurer providing or administering a health benefit plan to require a patient to utilize or fail with a drug usage or drug therapy prior to allowing such patient to receive the product or therapy recommended by the patient's prescribing healthcare provider.

16 (b) A health insurer shall provide to prescribing healthcare providers 17 access to a clear, convenient and readily accessible method to request 18 override of a step therapy protocol. Such method shall be disclosed to 19 patients and prescribing healthcare providers covered by health benefit 20 plans provided by the health insurer. A health insurer shall expeditiously 21 grant a prescribing healthcare provider's request to override a step therapy 22 protocol if:

(1) The prescription drug required by the health insurer is
 contraindicated for the patient or will likely cause an adverse reaction or
 physical or mental harm to the patient;

(2) the prescription drug required by the health insurer is expected to
be ineffective, based on the known clinical characteristics of the patient
and the known characteristics of the required prescription drug regimen;

(3) the patient has previously tried the prescription drug required by the health insurer while under such patient's current or previous health benefit plan, or another prescription drug in the same pharmacologic class or with the same mechanism of action, and such prescription drug was discontinued due to lack of efficacy, diminished effect or adverse physical or mental health effects;

(4) the patient is stable on a different prescription drug selected bysuch patient's prescribing healthcare provider for treatment of the medical

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1 condition under consideration; or

(5) the prescription drug required by the health insurer is not in the
best interests of the patient based on the patient's prescribing healthcare
provider's determination of medical necessity.

5 (c) A health insurer shall respond to and render a decision on a 6 prescribing healthcare provider's request to override a step therapy 7 protocol, or an appeal related to such request, within 72 hours of receiving 8 such request. If the prescribing healthcare provider indicates in the request 9 or appeal that exigent circumstances exist, the health insurer shall respond to such request or appeal within 24 hours of receiving such request. If a 10 11 health insurer does not respond to a request or appeal within the time 12 limits established in this subsection, the request or appeal shall be deemed 13 granted. Upon granting such a request or appeal, the health insurer shall 14 authorize dispensation of and coverage for the prescription drug, if such 15 drug is covered under the applicable health benefit plan.

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(d) Nothing in this section shall prevent:

17 (1) A health insurer from requiring that a covered patient use a 18 generic prescription drug before providing coverage for a prescribed 19 brand-name prescription drug, if such generic prescription drug has been 20 classified by the federal food and drug administration and published in the 21 approved drug products with therapeutic equivalence evaluations list as 22 having a therapeutic equivalence evaluation of AB with the brand-name 23 prescription drug; or

(2) a prescribing healthcare provider from prescribing a prescriptiondrug that the provider determines to be medically appropriate or necessary.

26 Sec. 2. This act shall take effect and be in force from and after its 27 publication in the statute book.