

CONFERENCE COMMITTEE REPORT

HB 119

2019 Regular Session

Bishop

June 4, 2019

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 119 by Representative Bishop, recommend the following concerning the Reengrossed bill:

1. That the set of Senate Committee Amendments by the Senate Committee on Insurance (#2237) be adopted.
2. That the following amendment be adopted:

AMENDMENT NO. 1

In Amendment No. 2 by the Senate Committee on Insurance (#2237), on page 1, line 6, after "health" and before "plan" change "coverage" to "benefit"

Respectfully submitted,

Representative Stuart Bishop

Senator John R. Smith

Representative Kirk Talbot

Senator Gary L. Smith, Jr.

Representative John Stefanski

Senator Dan "Blade" Morrish

 DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST

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Keyword and oneliner of the instrument as it left the House

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

Report adopts Senate amendments to:

1. Authorize the use of electronic notification by insurers to providers who use electronic health records.
2. Require notification to the prescriber of a covered drug that is in the same class and used for the same treatment as a prescribed noncovered drug.
3. Make proposed law effective January 1, 2020.
4. Limit applicability to actions involving notices sent in a manner other than electronically to those occurring on or after July 1, 2020.

Report amends the bill to:

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

Digest of the bill as proposed by the Conference Committee

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 or through the use of electronic notification if the provider utilizes electronic health records.

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 or through the use of electronic notification if the provider utilizes electronic health records.

Proposed law further requires, if a provider prescribes a noncovered drug, the issuer to notify the provider of a covered drug in the same class and used for the same treatment as the prescribed noncovered 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.

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

Proposed law shall become effective on January 1, 2020; however, 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))