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## DIGEST

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### CONFERENCE COMMITTEE REPORT DIGEST

**HB 119**

**2019 Regular Session**

**Bishop**

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Proposed law retains present law but makes technical changes including the removal of a reference to a repealed statute.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