

Regular Session, 2014

SENATE BILL NO. 165

BY SENATOR MURRAY

HEALTH/ACC INSURANCE. Provides relative to prescription drug specialty tiers.
(8/1/14)

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AN ACT

To enact R.S. 22:1060.5, relative to prescription drug specialty tiers; to provide with respect to limits on coinsurance; to provide for limits on out-of-pocket expenses for prescription drugs; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1060.5 is hereby enacted to read as follows:

§1060.5. Specialty drug tiers; prohibitions; limits on co-payments

A. A health insurance issuer of a health benefit plan that covers prescription drugs, as defined in R.S. 22:1060.1(8), and utilizes a specialty drug tier, shall limit any required co-payment or coinsurance applicable to specialty drugs on a specialty tier to an amount not to exceed one hundred and fifty dollars per month for each specialty drug up to a thirty-day supply of any single drug.

B. Nothing in this Section shall be construed to require a health insurance issuer of a health benefit plan to provide coverage for any additional prescription drugs not otherwise provided by law.

C. The provisions of this Section shall not apply to high deductible

1 **health plans or policies that are qualified to be used in conjunction with a health**
 2 **savings account, a medical savings account, or other similar program**
 3 **authorized by 26 U.S.C. 220 et seq.**

4 **D. A health care issuer of a health benefit plan that covers prescription**
 5 **drugs, as defined in R.S. 22:1060.1(8), and utilizes specialty tiers shall be**
 6 **required to implement an exceptions process that allows enrollees to request an**
 7 **exception to the formulary. Under such an exception, a non-formulary specialty**
 8 **drug could be deemed covered under the formulary if the prescribing physician**
 9 **determines that the formulary drug for treatment of the same condition either**
 10 **would not be as effective for the individual, would have adverse effects for the**
 11 **individual, or both. In the event an enrollee is denied an exception, such denial**
 12 **shall be considered an adverse event and shall be subject to the health plan**
 13 **internal review process and the state external review process.**

14 **E. The provisions of this Section shall not apply to the Office of Group**
 15 **Benefits or to the claims of the Office of Group Benefits enrollees administered**
 16 **by health insurance issuers.**

17 Section 2. The provisions of this Section shall become effective on January 1, 2015.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Cheryl Horne.

DIGEST

Murray (SB 165)

Proposed law requires a health insurance issuer of a health benefit plan that covers prescription drugs as defined in present law and who utilizes a specialty drug tier to limit any required co-payment or coinsurance applicable to specialty drugs on a specialty tier to an amount not to exceed \$150 per month for each specialty drug up to a 30-day supply of any single drug.

Proposed law specifies that nothing in proposed law requires a health insurance issuer of a health benefit plan to provide coverage for any additional prescription drugs not otherwise provided by law.

Proposed law exempts high deductible health plans or policies that are qualified to be used in conjunction with a health savings account, a medical savings account, or other similar program and the Office of Group Benefits from proposed law.

Effective January 1, 2015.

(Adds R.S. 22:1060.5)

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Removes the prohibition on payments by an insured of a percentage of the cost of a drug.
2. Removes the prohibition by an insurance issuer to charge a cost-sharing for a prescription drug in excess of 500% of the lowest amount of cost-sharing required by a prescription drug plan.
3. Removes the limits on out-of-pocket expenses.
4. Requires a health insurance issuer of a health benefit plan that covers prescription drugs and utilizes a speciality drug tier to limit any required co-payment or coinsurance applicable to speciality drugs on a speciality tier to an amount not to exceed \$150 per month for each specialty drug up to a 30-day supply of any single drug.
5. Exempts high deductible health plans or policies that are qualified to be used in conjunction with a health savings account, a medical savings account, or other similar program and the Office of Group Benefits from proposed law.
6. Adds an effective date of January 1, 2015.