The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Christine Arbo Peck.

DIGEST

SB 164 Original 2019 Regular Session Morrish

Present law provides for regulation of prior authorization procedures for prescription drugs. Proposed law retains present law and makes technical changes.

Present law requires insurers to provide certain override procedures for physicians when step therapy or fail first protocols are utilized. Proposed law retains present law and adds a process for exemption from step therapy for patients who have clinical documentation that a prescription drug was discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event. Proposed law provides that a plan shall not be prevented from requiring a patient to try a generic drug. Proposed law provides that a practitioner shall not be prevented from prescribing what he determines to be medically necessary.

Present law requires pharmacy benefit managers to be licensed by the commissioner of insurance as a third party administrator. Proposed law repeals present law and establishes specific pharmacy benefit manager licensure and regulation authority for the commissioner of insurance. Proposed law provides for findings and purpose, rulemaking, license authority, and enforcement.

Present law prohibits pharmacy benefit managers from imposing contract provisions on pharmacists that prevent the pharmacist from informing patients of all relevant options when acquiring prescription drugs. Proposed law retains present law.

Present law establishes a dedicated location on the Department of Insurance's website for certain information regarding pharmacy benefit managers. Present law implements the website on January 1, 2020. Proposed law retains present law.

Effective August 1, 2019.

(Amends R.S. 22:1006.1(A),1053(D), and 44:4.1(B)(11); adds R.S. 22:1053(E) and (F), and 1260.41 - 1260.46; repeals R.S. 22:1657)