## **ACT No. 206**

HOUSE BILL NO. 119

## BY REPRESENTATIVE BISHOP

1	AN ACT
2	To amend and reenact R.S. 22:1053(A) and (D) and 1060.2(introductory paragraph) and to
3	enact R.S. 22:1053(E) and 1060.2(4), relative to the coverage of prescription drugs
4	through a formulary; to require an insurer to provide a prescriber with a list of the
5	alternative comparable formulary medications; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 22:1053(A) and (D) and 1060.2(introductory paragraph) are hereby
8	amended and reenacted and R.S. 22:1053(E) and 1060.2(4) are hereby enacted to read as
9	follows:
10	§1053. Requirement for coverage of step therapy or fail first protocols
11	A. Notwithstanding the provisions of R.S. 22:1047 to the contrary, any Any
12	health eare coverage plan specified in Subsection $\Theta E$ of this Section which includes
13	prescription benefits as part of its policy or contract, which utilizes step therapy or
14	fail first protocols, and which is issued for delivery, delivered, renewed, or otherwise
15	contracted for in this state on or after January 1, 2011, shall comply with the
16	provisions of this Section.
17	* * *
18	D.(1) If a prescribed drug is denied by a health coverage plan based upon
19	step therapy or fail first protocols, the health coverage plan shall provide the
20	prescriber with a list of the alternative comparable formulary medications in writing
21	and attached to the letter of denial of prescription drug coverage.
22	(2) It shall be deemed sufficient to meet the requirements of this Subsection
23	if a health coverage plan includes the information required by this Subsection in the
24	denial letter sent by the health coverage plan or its agent. For any request made by

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provi	ders utilizing elec	tronic health rec	ords with capabi	lities, the notice m	ay be sent
electr	onically.		_		

(3) Simple notification of the availability and location of the formulary shall not be deemed sufficient to meet the requirements of this Subsection.

<u>E.</u> As used in this Section, a "health coverage plan" shall mean any hospital, health, or medical expense insurance policy, hospital or medical service contract, employee welfare benefit plan, contract or agreement with a health maintenance organization or a preferred provider organization, health and accident insurance policy, or any other insurance contract of this type, including a group insurance plan and the Office of Group Benefits programs.

\* \* \*

## §1060.2. Notice and disclosure of certain information required

A health insurance 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 shall <u>do all of the following</u>:

\* \* \*

- (4)(a) If a prescribed drug is denied based upon the drug's nonformulary status, 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.
- (b) If a prescribed drug is excluded from coverage under the health benefit plan and other drugs in the same class and used for the same treatment as the excluded drug are covered under the plan, the issuer or its agent shall notify the prescriber of the covered drug.
- (c) It shall be deemed sufficient to meet the requirements of this Paragraph if a health benefit plan includes the information required by this Paragraph in the denial letter sent by the health benefit plan or its agent. For any request made by providers utilizing electronic health records with capabilities, the notice may be sent electronically.

1 (d) Simple notification of the availability and location of the formulary shall
2 not be deemed sufficient to meet the requirements of this Paragraph.
3 Section 2. This Act shall become effective on January 1, 2020. However, the
4 provisions regarding notices that are sent in a manner other than electronically, shall not be
5 enforceable against any health insurance issuer or health maintenance organization for acts
6 taking place prior to July 1, 2020.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

**ENROLLED** 

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APPROVED: \_\_\_\_\_