1 A bill to be entitled 2 An act relating to prescription drug utilization 3 management; amending s. 627.42392, F.S.; providing 4 definitions; revising the circumstances under which 5 health insurers and pharmacy benefit managers are 6 required to use prior authorization forms for 7 specified purposes; requiring health insurers and 8 pharmacy benefit managers to offer an online prior 9 authorization process; providing requirements for the 10 process; creating s. 627.42393, F.S.; defining the terms "health insurer" and "step therapy protocol"; 11 12 prohibiting health insurers and health maintenance organizations from requiring insureds or subscribers 13 14 to repeat step therapy protocols; providing that certain health insurers and health maintenance 15 organizations may impose a specified requirement for 16 17 continued coverage; providing that such entities are not required to take specified actions; providing 18 19 applicability; providing an effective date. 20 21 Be It Enacted by the Legislature of the State of Florida: 22 23 Section 1. Section 627.42392, Florida Statutes, is amended 24 to read: 627.42392 Prior authorization.-25

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26 (1) As used in this section, the term: 27 "Electronic prior authorization process" does not (a) 28 include transmissions through a facsimile machine. 29 (b) "Health insurer" means an authorized insurer offering 30 health insurance as defined in s. 624.603, a managed care plan as defined in s. 409.962(10), or a health maintenance 31 32 organization as defined in s. 641.19(12). (C) 33 "Prior authorization" means a statement from a health insurer that a certain medical service or treatment is covered 34 35 under the terms of a policy or contract for a specific period of 36 time. 37 (2)Notwithstanding any other provision of law, effective 38 January 1, 2017, or 6  $\frac{1}{2}$  months after the effective date of 39 the rule adopting the prior authorization form, whichever is later, a health insurer, or a pharmacy benefit benefits manager 40 on behalf of the health insurer, which does not provide an 41 42 electronic prior authorization process for use by its contracted 43 providers, shall only use the prior authorization form that has 44 been approved by the Financial Services Commission for granting 45 a prior authorization for a medical procedure, course of 46 treatment, or prescription drug benefit. Such form may not exceed two pages in length, excluding any instructions or 47 guiding documentation, and must include all clinical 48 documentation necessary for the health insurer to make a 49 decision. At a minimum, the form must include: 50

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51 <u>(a) (1)</u> Sufficient patient information to identify the 52 member, date of birth, full name, and Health Plan ID number; 53 <u>(b) (2)</u> <u>The provider's provider</u> name, address, and phone 54 number;

55 <u>(c) (3)</u> The medical procedure, course of treatment, or 56 prescription drug benefit being requested, including the medical 57 reason therefor, and all services tried and failed;

58

(d) (4) Any laboratory documentation required; and

59 (e) (5) An attestation that all information provided is
 60 true and accurate.

(3) The Financial Services Commission in consultation with
the Agency for Health Care Administration shall adopt by rule
guidelines for all prior authorization forms which ensure the
general uniformity of such forms.

65 (4) Electronic prior authorization approvals do not
66 preclude benefit verification or medical review by the insurer
67 under either the medical or pharmacy benefits.

68 (5) Effective January 1, 2020, a health insurer, or a 69 pharmacy benefit manager on behalf of the health insurer, must 70 offer a secure, online electronic prior authorization process 71 for accepting electronic prior authorization forms. All 72 contracted providers must use a health insurer's electronic 73 process to request prior authorization for medical services and 74 treatment provided to an insured or a subscriber. A health 75 insurer may make an electronic request to the provider for

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76	additional information, if necessary, to complete its			
77	determination to grant or deny a request for prior			
78	authorization.			
79	Section 2. Section 627.42393, Florida Statutes, is created			
80	to read:			
81	627.42393 Step therapy protocols			
82	(1) As used in this section, the term:			
83	(a) "Health insurer" means a health insurer as defined in			
84	s. 627.42392 which is covering or has previously covered the			
85	insured under a major medical policy or contract.			
86	(b) "Step therapy protocol" means a written protocol that			
87	specifies the order in which a prescription drug must be used to			
88	treat an insured's condition.			
89	(2)(a) A health insurer may not impose a step therapy			
90	protocol for a covered prescription drug if:			
91	1. The insured has been approved to receive the			
92	prescription drug through a step therapy protocol imposed by a			
93	health insurer that previously issued major medical coverage to			
94	the insured; and			
95	2. The insured is currently taking the drug, as evidenced			
96	by the health insurer that approved the drug as described under			
97	subparagraph 1. having made payment for the drug on the			
98	insured's behalf within the prior 90 days.			
99	(b) This section does not preclude an insured's new health			
100	insurer from imposing a prior authorization requirement for the			

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101	continued coverage of a drug prescribed pursuant to a step
102	therapy protocol that was imposed by the former health insurer.
103	(c) A health insurer is not required to add a drug to its
104	prescription drug formulary, or to cover a prescription drug's
105	use for a purpose not currently covered by the insurer, to
106	comply with this section.
107	(3) This section applies to contracts entered into or
108	renewed on or after January 1, 2020. This section does not apply
109	to Medicaid managed care plans under part IV of chapter 409.
110	Section 3. This act shall take effect July 1, 2019.

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