

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1504

By: Virgin

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5  
6 AS INTRODUCED

7 An Act relating to insurance; defining terms;  
8 limiting certain copayments and costs for certain  
9 prescription and specialty drugs; requiring certain  
10 health plans to implement an exceptions process;  
11 providing that certain denials shall be subject to  
12 certain external review; prohibiting certain health  
13 plan from placing certain drugs on a specialty tier;  
14 requiring the Insurance Commissioner to promulgate  
15 certain rules; construing provisions; providing for  
16 codification; and providing an effective date.

17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3634.5 of Title 36, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. As used in this section:

- 22 1. "Coinsurance" means a cost-sharing amount set as a  
23 percentage of the total cost of the drug;  
24 2. "Commissioner" means the Oklahoma Insurance Commissioner;  
3. "Copayment" means a cost-sharing amount set as a dollar  
value;

1 4. "Non-preferred drug" means a tier designed for certain drugs  
2 deemed non-preferred and therefore subject to higher cost sharing  
3 amounts than preferred drugs;

4 5. "Preferred drug" means a tier designed for certain drugs  
5 deemed preferred and therefore subject to lower cost-sharing amounts  
6 than non-preferred drugs;

7 6. "Specialty tier" means a tier of cost-sharing designed for  
8 select specialty drugs that imposes cost-sharing obligations that  
9 exceed that amount for nonpreferred brand drugs or their equivalent  
10 or for brand drugs if there is no nonpreferred brand drug category  
11 and such a cost-sharing amount is based on a coinsurance; and

12 7. "Tiered formulary" means a formulary that provides coverage  
13 for prescription drugs as part of a health plan for which cost  
14 sharing, deductibles or coinsurance obligations are determined by  
15 category or tier of prescription drugs, that includes at least two  
16 different tiers.

17 B. A health plan that provides coverage for prescription drugs  
18 shall ensure that:

19 1. Any required copayment or coinsurance applicable to drugs on  
20 a specialty tier does not exceed One Hundred Dollars (\$100.00) per  
21 month for up to a 30-day supply of any single drug; and

22 2. Required copayment or coinsurance for drugs on a specialty  
23 tier does not exceed, in the aggregate for those specialty tier  
24 covered drugs, Two Hundred Dollars (\$200.00) per month per enrollee.

1 C. A health plan that provides coverage for prescription drugs  
2 and utilizes a tiered formulary shall implement an exceptions  
3 process that allows enrollees to request an exception to the tiered  
4 cost-sharing structure. Under such an exception, a nonpreferred  
5 drug could be covered under the cost sharing applicable for  
6 preferred drugs if the prescribing physician determines that the  
7 preferred drug for treatment of the same condition either would not  
8 be as effective for the individual, or would have adverse effects  
9 for the individual, or both. In the event an enrollee is denied a  
10 cost-sharing exception, such denial shall be considered an adverse  
11 determination and will be subject to an external review pursuant to  
12 the Uniform Health Carrier External Review Act.

13 D. A health plan that provides coverage for prescription drugs  
14 shall be prohibited from placing all drugs in a given class on a  
15 specialty tier.

16 E. The Commissioner shall promulgate regulations outlining the  
17 enforcement processes for this section.

18 F. Nothing in this section shall be construed to require a  
19 health plan to:

20 1. Provide coverage for any additional drugs not otherwise  
21 required by law;

22 2. Implement specific utilization management techniques, such  
23 as prior authorization or step therapy; or  
24

1 3. Cease utilization of tiered cost-sharing structures,  
2 including those strategies used to incent use of preventive  
3 services, disease management and low-cost treatment options.

4 G. Nothing in this section shall be construed to require a  
5 pharmacist to substitute a drug without the consent of the  
6 prescribing physician.

7 SECTION 2. This act shall become effective November 1, 2015.

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