

H.B. 266

PHARMACEUTICAL STEP THERAPY

Representative **Eric K. Hutchings** proposes the following amendments:

1. *Page 1, Lines 17 through 18:*

17 {~~→ specifies conditions under which a request for bypass of a step drug is considered~~
18 **authorized;**} and

2. *Page 2, Lines 40 through 48:*

(e) "Hospice" means the same as that term is defined in Section 26-21-2.

40 {~~(e)~~} **(f)** "Medically necessary" means appropriate, under the applicable standard of care:

41 (i) to preserve or improve health, life, or function;

42 (ii) to slow the deterioration of health, life, or function; or

43 (iii) for the early screening, prevention, evaluation, diagnosis, or treatment of a disease,

44 condition, illness, or injury.

45 {~~(f)(i)~~} **(g)** "Step drug" means a drug described in Subsection (1) {~~(g)~~} **(h)** that must
be used before

46 an insured's health benefit plan will pay for a drug ordered by the insured's health care provider.

47 {~~(ii) "Step drug" may include a drug not covered by the insured's health benefit plan.~~}

48 {~~(g)~~} **(h)** "Step therapy" means a fail-first protocol that requires an insured to use a drug, or

3. *Page 3, Line 75 through Page 4, Line 94:*

75 (4) Except as provided in Subsection (5)(a), a health insurer shall authorize an insured

76 to bypass use of all step drugs if the insured submits to the health insurer information

77 documenting that {~~one or more of the following conditions have been satisfied:~~

78 — ~~(a)~~} the insured has been {~~given a terminal diagnosis~~} **admitted to hospice** {~~or~~

79 — ~~(b) the insured has achieved a stable medical state on a drug:~~

80 — ~~(i) prescribed to treat the insured's condition; and~~

81 — ~~(ii) prescribed while the insured was covered by the health benefit plan, another health~~

82 **benefit plan, or no health benefit plan** } .

83 (5) (a) A health insurer is not required to authorize bypass of a step drug under

84 Subsection (3) or (4) if the step drug is an AB-rated generic equivalent of a drug that would be

85 covered by the health benefit plan if the bypass were authorized.

86 (b) An authorization to bypass use of one or more step drugs is not an authorization for

87 coverage of a drug that is not otherwise covered by the health benefit plan.

88 (6) {~~(a) If within 72 hours of receipt of a request to bypass use of a step drug, a health~~

89 ~~insurer fails to notify the insured who made the request whether bypass has been authorized;~~
90 ~~bypass shall be considered authorized.~~
91 ~~—— (b) If an insured communicates to a health insurer that a request to bypass use of a step~~
92 ~~drug is being made under exigent circumstances, the bypass shall be considered authorized if~~
93 ~~the health insurer fails to notify the insured within 24 hours of receipt of the request whether~~
94 ~~the bypass has been authorized.}~~ Within three business days of receipt of an insured's request to
bypass use of a step drug, including receipt of all information necessary for the health insurer to
determine whether at least one of the conditions under Subsection (3) has been satisfied or the insured
has been admitted to hospice, the health insurer shall notify the insured of whether the request has been
authorized.