

## 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

**Legislative Document** 

No. 1407

S.P. 485

In Senate, April 11, 2017

## **An Act Regarding Prescription Drug Step Therapy**

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

HEATHER J.R. PRIEST Secretary of the Senate

Heath Je Buit

Presented by Senator ROSEN of Hancock.
Cosponsored by Representative PIERCE of Dresden and
Senators: CARSON of Cumberland, DOW of Lincoln, GRATWICK of Penobscot,
Representatives: HARLOW of Portland, MALABY of Hancock, POULIOT of Augusta,
SANBORN of Portland, VACHON of Scarborough.

11 12	<u>utilization review organization to determine the medical necessity and</u> appropriateness of health care services.
13 14 15 16 17	C. "Medically necessary" means health services and supplies that, under the applicable standard of care, are appropriate to improve or preserve health, life or function; to slow the deterioration of health, life or function; or for the early screening, prevention, evaluation, diagnosis or treatment of a disease, condition, illness or injury.
18 19 20 21	D. "Step therapy override exception determination" means a determination based on a review of a patient's or prescriber's request for an override, along with supporting rationale and documentation, that the step therapy protocol should be overridden in favor of immediate coverage of the health care provider's selected prescription drug.
22 23 24 25	E. "Step therapy protocol" means a protocol that establishes a specific sequence in which prescription drugs for a specified medical condition are medically necessary for a particular patient and are covered under a pharmacy or medical benefit by an insurer or health plan, including self-administered and physician-administered drugs.
26 27 28	F. "Utilization review organization" means an entity that conducts a utilization review, other than an insurer or health plan performing a utilization review for its own health benefit plans.
29 30	2. Clinical review criteria. Clinical review criteria used to establish a step therapy protocol must be based on clinical practice guidelines that:
31 32	A. Recommend that the prescription drugs be taken in the specific sequence required by the step therapy protocol;
33 34	B. Are developed and endorsed by a multidisciplinary panel of experts that manages conflicts of interest among the members of the writing and review groups by:
35 36 37	(1) Requiring members to disclose any potential conflicts of interest with entities, including insurers, health plans and pharmaceutical manufacturers, and recuse themselves from voting if they have a conflict of interest;

Be it enacted by the People of the State of Maine as follows:

1. **Definitions.** As used in this section, unless the context otherwise indicates, the

A. "Clinical practice guidelines" means a systematically developed statement to

assist prescriber and patient decisions about appropriate health care for specific

B. "Clinical review criteria" means the written screening procedures, decision abstracts, clinical protocols and practice guidelines used by an insurer, health plan or

Sec. 1. 24-A MRSA §4320-K is enacted to read:

following terms have the following meanings.

clinical circumstances and conditions.

§4320-K. Step therapy

1

2

3

4

5

6

7

8 9

10

1 2 3	(2) Using a methodologist to work with writing groups to provide objectivity in data analysis and ranking of evidence through the preparation of evidence tables and facilitating consensus; and
4	(3) Offering opportunities for public review and comments;
5	C. Are based on high-quality studies, research and medical practice;
6	D. Are created by an explicit and transparent process that:
7	(1) Minimizes biases and conflicts of interest;
8	(2) Explains the relationship between treatment options and outcomes;
9	(3) Rates the quality of the evidence supporting recommendations; and
10	(4) Considers relevant patient subgroups and preferences; and
11 12	E. Are continually updated through a review of new evidence, research and newly developed treatments.
13 14 15	3. Absence of clinical practice guidelines. In the absence of clinical practice guidelines that meet the requirements in subsection 2, peer-reviewed publications may be substituted.
16 17 18	4. Consideration of atypical populations and diagnoses. When establishing a step therapy protocol, a utilization review organization shall also take into account the needs of atypical patient populations and diagnoses when establishing clinical review criteria.
19 20 21	5. Construction. This section may not be construed to require insurers, health plans or the State to set up a new entity to develop clinical review criteria used for step therapy protocols.
22 23 24 25 26 27	6. Exceptions process. When coverage of a prescription drug for the treatment of any medical condition is restricted for use by an insurer, health plan or utilization review organization through the use of a step therapy protocol, the patient and prescriber must have access to a clear, readily accessible and convenient process to request a step therapy override exception determination from that insurer, health plan or utilization review organization.
28 29 30 31	A. An insurer, health plan or utilization review organization may use its existing medical exceptions process to provide step therapy override exception determinations, and the process established must be easily accessible on the insurer's, health plan's or utilization review organization's website.
32 33	B. An insurer, health plan or utilization review organization shall expeditiously grant a step therapy override exception determination if:
34 35	(1) The required prescription drug is contraindicated or will likely cause an adverse reaction in or physical or mental harm to the patient;
36 37 38	(2) The required prescription drug is expected to be ineffective based on the known clinical characteristics of the patient and the known characteristics of the

1 2 3 4 5	(3) The patient has tried the required prescription drug while under the patient's current or previous health insurance or health benefit plan, or another prescription drug in the same pharmacologic class or with the same mechanism of action, and the prescription drug was discontinued due to lack of efficacy or effectiveness, diminished effect or an adverse event;
6 7	(4) The required prescription drug is not in the best interest of the patient, based on medical necessity; or
8 9 10	(5) The patient is stable on a prescription drug selected by the patient's health care provider for the medical condition under consideration while on a current or previous health insurance or health benefit plan.
11 12 13	C. Upon the granting of a step therapy override exception determination, the insurer, health plan or utilization review organization shall authorize coverage for the prescription drug prescribed by the prescriber.
14 15 16 17 18 19 20	D. An insurer, health plan or utilization review organization shall respond to a request for a step therapy override exception determination or an appeal of a determination within 72 hours of receipt of the request. In cases when exigent circumstances exist, an insurer, health plan or utilization review organization shall respond within 24 hours of receipt of the request. If a response by an insurer, health plan or utilization review organization is not received within the time required under this paragraph, the exception or appeal is granted.
21	E. An insured may appeal a step therapy override exception determination.
22	F. This section does not prevent:
23 24 25 26	(1) An insurer, health plan or utilization review organization from requiring a patient to try a generic drug, as defined in Title 32, section 13702-A, subsection 14, prior to providing coverage for the equivalent brand name prescription drug; or
27 28	(2) A health care provider from prescribing a prescription drug that is determined to be medically necessary.
29 30 31	7. Rules. The superintendent shall adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
32 33 34 35	<b>Sec. 2. Application.</b> The requirements of this Act apply to all policies, contracts and certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2018. For purposes of this Act, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.
36	SUMMARY
37 38	This bill requires health insurers to establish a process for prescription drug step therapy override exception determinations.