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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES -
STEP THERAPY PROTOCOL

Introduced By: Senators Gallo, Goodwin, Miller, and Satchell

Date Introduced: May 04, 2017

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness
2 Insurance Policies" is hereby amended by adding thereto the following sections:

3 **27-18-83. Definitions. –**

4 (a) As used in this chapter:

5 (1) "Clinical practice guidelines" means a systematically developed statement to assist
6 decision making by health care providers and patients about appropriate health care for specific
7 clinical circumstances and conditions.

8 (2) "Clinical review criteria" means the written screening procedures, decision abstracts,
9 clinical protocols and practice guidelines used by an insurer, health plan, or utilization review
10 organization to determine the medical necessity and appropriateness of health care services.

11 (3) "Medically necessary" means health services and supplies that under the applicable
12 standard of care are appropriate:

13 (i) To improve or preserve health, life, or function; or

14 (ii) To slow the deterioration of health, life, or function; or

15 (iii) For the early screening, prevention, evaluation, diagnosis, or treatment of a disease,
16 condition, illness, or injury.

17 (4) "Step therapy override exception determination" means a determination as to whether
18 a step therapy protocol should apply in a particular situation, or whether the step therapy protocol

1 should be overridden in favor of immediate coverage of the health care provider's selected
2 prescription drug. This determination is based on a review of the patient's or prescriber's request
3 for an override, along with supporting rationale and documentation.

4 (5) "Step therapy protocol" means a protocol or program that establishes the specific
5 sequence in which prescription drugs for a specified medical condition and medically appropriate
6 for a particular patient are covered by an insurer or health plan.

7 (6) "Utilization review organization" means an entity that conducts a utilization review,
8 other than an insurer or health plan performing utilization reviews for its own health benefit
9 plans.

10 **27-18-84. Exceptions process transparency.**

11 (a) Exceptions process. When coverage of a prescription drug for the treatment of any
12 medical condition is restricted for use by an insurer, health plan, or utilization review
13 organization through the use of a step therapy protocol, the patient and prescribing practitioner
14 shall have access to a clear, readily accessible and convenient process to request a step therapy
15 exception determination. An insurer, health plan, or utilization review organization may use its
16 existing medical exceptions process to satisfy this requirement. The process shall be made easily
17 accessible on the insurers, health plans, or utilization review organization's website.

18 (b) Exceptions. A step therapy override exception determination request shall be
19 expeditiously granted if:

20 (1) The required prescription drug is contraindicated, or will likely cause an adverse
21 reaction or physical or mental harm to the patient;

22 (2) The required prescription drug is expected to be ineffective based on the known
23 clinical characteristics of the patient, and the known characteristics of the prescription drug
24 regimen;

25 (3) The patient has tried the required prescription drug while under their current or a
26 previous health insurance or health benefit plan, or another prescription drug in the same
27 pharmacologic class, or with the same mechanism of action and such prescription drug was
28 discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event;

29 (4) The required prescription drug is not in the best interest of the patient based on
30 medical necessity;

31 (5) The patient is stable on a prescription drug selected by their health care provider for
32 the medical condition under consideration; and

33 (6) The required prescription drug is likely to be diverted.

34 (c) Effect of exception. Upon the granting of a step therapy override exception

1 determination, the insurer, health plan, or utilization review organization shall authorize coverage
2 for the prescription drug prescribed by the patient's treating health care provider.

3 (d) Limitations. This section shall not be construed to prevent:

4 (1) An insurer, health plan, or utilization review organization from requiring a patient to
5 try an AB-rated generic equivalent prior to providing coverage for the equivalent branded
6 prescription drug; and

7 (2) A health care provider from prescribing a prescription drug that is determined to be
8 medically appropriate.

9 **27-18-85. Regulations.**

10 Notwithstanding any provision of the general or public laws to the contrary, the office of
11 the health insurance commissioner shall promulgate any regulations necessary to enforce the
12 provisions of §§27-18-83 and 27-18-84 in accordance with the provisions of chapter 35 of title 42
13 ("administrative procedures act").

14 SECTION 2. This act shall take effect upon passage and shall apply only to health
15 insurance and health benefit plans delivered, issued for delivery, or renewed on or after June 1,
16 2017.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO INSURANCE - ACCIDENT AND SICKNESS INSURANCE POLICIES -
STEP THERAPY PROTOCOL

1 This act would allow for a step therapy exception determination when coverage of a
2 prescription drug for the treatment of a medical condition is restricted for use by an insurer,
3 health plan, or utilization review organization.

4 This act would take effect upon passage and would apply only to health insurance and
5 health benefit plans delivered, issued for delivery, or renewed on or after June 1, 2017.

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