

First Regular Session 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 73

AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 27-1-37.4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018]:

Chapter 37.4. Electronic Prescription Drug Prior Authorization

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to coverage under a health plan.

Sec. 2. As used in this chapter, "health plan" means any of the following that provides coverage for prescription drugs:

- (1) A policy of accident and sickness insurance (as defined in IC 27-8-5-1).**
- (2) A contract with a health maintenance organization (as defined in IC 27-13-1-19).**

The term includes a person that administers a policy or contract described in subdivision (1) or (2).

Sec. 3. As used in this chapter, "prior authorization" includes a health plan requirement that a prescription drug be authorized for payment by the health plan before the prescription drug is provided to a particular covered individual.

Sec. 4. A health plan shall accept and respond to a request for prior authorization delivered to the health plan by a covered individual's:

- (1) prescribing health care provider; or**

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(2) dispensing pharmacist;
through an electronic transmission that complies with the technical standards developed by the National Council for Prescription Drug Programs for electronic prior authorization transactions (NCPDP SCRIPT).

Sec. 5. Section 4 of this chapter does not apply if a prescribing health care provider or dispensing pharmacist lacks:

- (1) broadband Internet access;**
- (2) an electronic medical record system; or**
- (3) a sufficient number of covered individuals as patients or customers, as determined by the commissioner, to warrant the financial expense that compliance with section 4 of this chapter would require.**

Sec. 6. A contractual provision that:

- (1) is contained in a contract that is entered into, amended, or renewed after December 31, 2017; and**
- (2) contradicts this chapter;**

is void.

Sec. 7. The commissioner may adopt rules under IC 4-22-2 to implement this chapter.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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