

State Corporation Commission 2024 Session Fiscal Impact Statement

1. Bill Number: SB98

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Favola

3. Committee: Passed Both Houses

4. Title: Health insurance; prior authorization.

5. Summary: Requires that any provider contract between a carrier and a participating health care provider contain specific provisions that require that if a prior authorization request is approved for prescription drugs and such prescription drugs have been scheduled, provided, or delivered to the patient consistent with the authorization, the carrier shall not revoke, limit, condition, modify, or restrict that authorization unless (i) there is evidence that the authorization was obtained based on fraud or misrepresentation; (ii) final actions by the U.S. Food and Drug Administration, other regulatory agencies, or the manufacturer remove the drug from the market, limit its use in a manner that affects the authorization, or communicate a patient safety issue that would affect the authorization alone or in combination with other authorizations; (iii) a combination of drugs prescribed would cause a drug interaction; or (iv) a generic or biosimilar is added to the prescription drug formulary.

The bill provides that such provisions do not require a carrier to cover any benefit not otherwise covered or cover a prescription drug if the enrollee is no longer covered by a health plan on the date the prescription drug was scheduled, provided, or delivered. This bill is identical to HB 1134.

6. Budget amendment necessary: No

7. Fiscal Impact Estimates: Fiscal Impact Estimate is Final.

8. Fiscal Implications: None on the State Corporation Commission

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: None.