

House Study Bill 89 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
PUBLIC SAFETY BILL BY
CHAIRPERSON BAUDLER)

A BILL FOR

1 An Act relating to controlled substances, including reporting
2 under the drug prescribing and dispensing information
3 program and insurance coverage for abuse-deterrent opioid
4 analgesic drugs, and making penalties applicable.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124.552, subsection 1, unnumbered
2 paragraph 1, Code 2017, is amended to read as follows:

3 Each licensed pharmacy that dispenses controlled substances
4 identified pursuant to [section 124.554, subsection 1](#),
5 paragraph "g", to patients in the state, and each licensed
6 pharmacy located in the state that dispenses such controlled
7 substances identified pursuant to section 124.554, subsection
8 1, paragraph "g", to patients inside or outside the state,
9 unless specifically excepted in [this section](#) or by rule, shall
10 submit the following prescription information to the program
11 every day:

12 Sec. 2. NEW SECTION. 514C.31 Opioid analgesic drug products
13 — coverage.

14 1. *Definitions.* For purposes of this section, unless the
15 context otherwise requires:

16 a. "*Abuse-deterrent opioid analgesic drug product*" means a
17 brand-name or generic opioid analgesic drug product approved
18 by the United States food and drug administration with
19 abuse-deterrence labeling claims that indicate the product
20 is expected to result in a meaningful reduction in abuse of
21 opioids.

22 b. "*Carrier*" means an entity that provides health benefit
23 plans in this state.

24 c. "*Health benefit plan*" means a policy, certificate, or
25 contract providing hospital or medical coverage, benefits, or
26 services rendered by a health care provider.

27 d. "*Opioid analgesic drug product*" means a drug product in
28 the opioid analgesic drug class prescribed to treat moderate
29 to severe pain or other conditions and includes immediate
30 release, extended release, and long-acting forms, whether or
31 not combined with other drug substances to form a single drug
32 product or dosage form.

33 2. *Coverage required.*

34 a. Notwithstanding the uniformity of treatment requirements
35 of section 514C.6, a contract, policy, or plan providing for

1 third-party payment or prepayment of health or medical expenses
2 that provides coverage benefits for opioid analgesic drug
3 products shall provide coverage for an abuse-deterrent opioid
4 analgesic drug product as a preferred drug on the carrier's
5 drug formulary or preferred drug list.

6 *b.* Cost-sharing requirements for abuse-deterrent
7 opioid analgesic drug products shall not exceed the lowest
8 cost-sharing requirements applied to other covered prescription
9 drugs on the carrier's drug formulary or preferred drug list.

10 *3. Prior authorization.*

11 *a.* A prior authorization or utilization review requirement
12 shall not require prior use of an opioid analgesic drug product
13 other than an abuse-deterrent opioid analgesic drug product
14 as a prerequisite for access to an abuse-deterrent opioid
15 analgesic drug product.

16 *b.* This subsection shall not be construed to prevent
17 a carrier from requiring prior authorization for an
18 abuse-deterrent opioid analgesic drug product, provided that
19 the same prior authorization requirements are applied to all
20 versions of the same opioid analgesic drug products that are
21 not abuse-deterrent opioid analgesic drug products.

22 *4. Applicability.*

23 *a.* This section applies to the following classes of
24 third-party payment provider contracts or policies delivered,
25 issued for delivery, continued, or renewed in this state on or
26 after July 1, 2017:

27 (1) Individual or group accident and sickness insurance
28 providing coverage on an expense-incurred basis.

29 (2) An individual or group hospital or medical service
30 contract issued pursuant to chapter 509, 514, or 514A.

31 (3) An individual or group health maintenance organization
32 contract regulated under chapter 514B.

33 (4) Any other entity engaged in the business of insurance,
34 risk transfer, or risk retention, which is subject to the
35 jurisdiction of the commissioner.

1 (5) A plan established pursuant to chapter 509A for public
2 employees.

3 (6) An organized delivery system licensed by the director
4 of public health.

5 b. This section shall not apply to accident-only,
6 specified disease, short-term hospital or medical, hospital
7 confinement indemnity, credit, dental, vision, Medicare
8 supplement, long-term care, basic hospital and medical-surgical
9 expense coverage as defined by the commissioner, disability
10 income insurance coverage, coverage issued as a supplement
11 to liability insurance, workers' compensation or similar
12 insurance, or automobile medical payment insurance.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 Currently, pharmacies licensed under Code chapter 155A that
17 dispense controlled substances are required to submit certain
18 prescription information to the board of pharmacy's information
19 program for drug prescribing and dispensing. Board of pharmacy
20 rules specify that information must be submitted on a weekly
21 basis. This bill requires the information to be submitted
22 every day.

23 According to Code section 124.558, a pharmacist, pharmacy,
24 prescribing practitioner, or agent of a pharmacist or
25 prescribing practitioner who knowingly fails to comply with the
26 bill shall be subject to disciplinary action by the appropriate
27 professional licensing board.

28 The bill requires a "carrier", defined by the bill as a
29 provider of health benefit plans in this state, to provide
30 coverage for abuse-deterrent opioid analgesic drug products as
31 a preferred drug on the carrier's drug formulary or preferred
32 drug list. The bill requires cost-sharing requirements for
33 these products not exceed the lowest cost-sharing requirements
34 applied to other drugs on the carrier's formulary or preferred
35 drug list.

1 The bill defines "abuse-deterrent opioid analgesic
2 drug product" as a brand-name or generic opioid analgesic
3 drug product approved by the United States food and drug
4 administration with abuse-deterrence labeling claims that
5 indicate the product is expected to result in a meaningful
6 reduction in abuse of opioids.

7 The bill applies to the following classes of third-party
8 payment provider contracts or policies delivered, issued for
9 delivery, continued, or renewed in this state on or after July
10 1, 2017: individual or group accident and sickness insurance
11 providing coverage on an expense-incurred basis; an individual
12 or group hospital or medical service contract issued pursuant
13 to Code chapter 509, 514, or 514A; an individual or group
14 health maintenance organization contract regulated under Code
15 chapter 514B; any other entity engaged in the business of
16 insurance, risk transfer, or risk retention, which is subject
17 to the jurisdiction of the insurance commissioner; a plan
18 established pursuant to Code chapter 509A for public employees;
19 and an organized delivery system licensed by the director of
20 public health.

21 The bill does not apply to accident-only, specified disease,
22 short-term hospital or medical, hospital confinement indemnity,
23 credit, dental, vision, Medicare supplement, long-term care,
24 basic hospital and medical-surgical expense coverage as defined
25 by the commissioner, disability income insurance coverage,
26 coverage issued as a supplement to liability insurance,
27 workers' compensation or similar insurance, or automobile
28 medical payment insurance.