HB 3549 (Fine-Williams-Hammond) SUPPORT

HB 3549 applies medical exceptions procedures, approved by the General Assembly last year for plans on the Exchange, to all plans sold in Illinois. The bill further provides standards for step therapy and "fail-first" protocols and, when certain conditions are met, patient access to drugs prescribed by their health care provider. HB 3549 seeks to retain an insurance plan's step therapy program, while providing for an override process when clinically appropriate.

HB 3549 contains the following provisions:

- 1. Applies a medical exceptions process that allows patients to **request** (but not receive) a prescription drug to all health plans in Illinois. Requires a carrier to approve or deny a request within 72 hours of receipt, and in expedited cases, within 24 hours. [Medicare Part D standard]. States that carriers must provide a reason for the denial, an alternative covered medication, if applicable, and information regarding how to appeal the denial. <u>Currently, these provisions apply only to health plans on the Exchange and were approved in HB 3638 by a vote of 114-0-0 in 2014.</u>
- 2. Establishes circumstances for a step therapy override if:
 - i. The required drug is contraindicated or will likely cause an adverse reaction by or physical or mental harm to the patient.
 - ii. The required drug is expected to be ineffective based on the known relevant physical or mental characteristics of the insured and the known characteristics of the drug regimen.
 - iii. The patient has tried the step therapy-required drug and discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event.
 - iv. The step therapy-required drug is not in the best interest of the patient, based on medical appropriateness.
 - v. The patient is currently stable on a prescription drug.
- 3. Establishes the clinical review criteria for step therapy based upon clinical practice guidelines that:
 - i. Recommend the specific sequence of the prescription drugs in the step therapy protocol.
 - ii. Are developed and endorsed by clinical experts independent of the health plan and their utilization review organizations.
 - iii. Are based on high-quality studies, research, and medical practices.
 - iv. Are created by a transparent process.
 - v. Are updated continually with new evidence and research.
- 4. Provides that when step therapy protocols are followed, the preferred cost-sharing level shall be used for the item.

Proponents

American Academy of Dermatology American Cancer Society American Liver Foundation Arthritis Foundation Association of Clinical Urologists Coalition of State Rheumatologists Epilepsy Foundation Hemophilia Federation Leukemia & Lymphoma Society Lupus Foundation of America National Alliance on Mental Illinois - Chicago National Patient Advocate Foundation National Psoriasis Foundation

HB 3549 implements basic standards for step therapy to establish a transparent medical exceptions protocol for all plans, ensure step therapy is based on appropriate clinical guidelines, and increase patient access to drugs prescribed by their health care provider.