

# State Corporation Commission

## 2015 Fiscal Impact Statement

**1. Bill Number:** SB1262

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Newman

**3. Committee:** Commerce and Labor

**4. Title:** Health insurance plans and programs; preauthorization for drug benefits.

**5. Summary:** Health insurance plans and programs; preauthorization for drug benefits. Requires certain health insurance contracts under which an insurance carrier or its intermediary has the right or obligation to require preauthorization for a drug benefit to include provisions governing the preauthorization process. Required provisions address (i) use of a common preauthorization form to be developed by the State Corporation Commission, (ii) the electronic submission of preauthorization requests, (iii) waiving preauthorization requirements for chronic disease management drug benefits and for mental health drug benefits, (iv) requests for supplementation of a preauthorization or waiver request, (v) preauthorization restrictions for generic drug benefits, and (vi) posting of certain information. These provisions are also applicable to Medicaid fee-for-service and Medicaid managed care health plans and the state employee health insurance program.

**6. Budget amendment necessary:** No

**7. Fiscal Impact Estimates:** No fiscal impact on the State Corporation Commission

**8. Fiscal implications:** None on the State Corporation Commission

**9. Specific agency or political subdivisions affected:** State Corporation Commission and the Commission's Bureau of Insurance

**10. Technical amendment necessary:** No

**11. Other comments:** None

**Date:** 01/23/15/V. Tompkins

cc: Secretary of Commerce and Trade  
Secretary of Health and Human Resources