



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3638

by Rep. Laura Fine

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Public Aid Code and the Illinois Insurance Code. Requires the Department of Healthcare and Family Services and the Department of Insurance to jointly develop a uniform prior authorization form for prescription drug benefits on or before July 1, 2014. Provides that on and after January 1, 2015, or 6 months after the form is developed, whichever is later, every prescribing provider may use that uniform prior authorization form to request prior authorization for coverage of prescription drug benefits and every health care service plan shall accept that form as sufficient to request prior authorization for prescription drug benefits. Provides that on and after January 1, 2015, a health insurer that provides prescription drug benefits shall utilize and accept the prior authorization form when requiring prior authorization for prescription drug benefits; and that if a health care service plan fails to utilize or accept the prior authorization form, or fails to respond within 2 business days upon receipt of a completed prior authorization request from a prescribing provider, the prior authorization request shall be deemed to have been granted. Exempts certain providers. Sets forth certain criteria for the prior authorization form. Provides that "prescribing provider" includes a provider authorized to write a prescription as described in the Pharmacy Practice Act. Effective January 1, 2014.

LRB098 12067 KTG 45783 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding
5 Section 364.3 as follows:

6 (215 ILCS 5/364.3 new)

7 Sec. 364.3. Uniform prior authorization form; prescription
8 benefits.

9 (a) Notwithstanding any other provision of law, on and
10 after January 1, 2015, a health insurer that provides
11 prescription drug benefits shall utilize and accept the prior
12 authorization form developed pursuant to subsection (c) when
13 requiring prior authorization for prescription drug benefits.

14 (b) If a health insurer fails to utilize or accept the
15 prior authorization form, or fails to respond within 2 business
16 days upon receipt of a completed prior authorization request
17 from a prescribing provider, pursuant to the submission of the
18 prior authorization form developed as described in subsection
19 (c), the prior authorization request shall be deemed to have
20 been granted.

21 (c) On or before July 1, 2014, the Department and the
22 Department of Healthcare and Family Services shall jointly
23 develop a uniform prior authorization form. Notwithstanding

1 any other provision of law, on and after January 1, 2015, or 6
2 months after the form is developed, whichever is later, every
3 prescribing provider may use that uniform prior authorization
4 form to request prior authorization for coverage of
5 prescription drug benefits and every health insurer shall
6 accept that form as sufficient to request prior authorization
7 for prescription drug benefits.

8 (d) The prior authorization form developed pursuant to
9 subsection (c) shall meet the following criteria:

10 (1) The form shall not exceed 2 pages.

11 (2) The form shall be made electronically available by
12 the Department and the health insurer.

13 (3) The completed form may also be electronically
14 submitted from the prescribing provider to the health
15 insurer.

16 (4) The Department and the Department of Healthcare and
17 Family Services shall develop the form with input from
18 interested parties from at least one public meeting.

19 (5) The Department and the Department of Healthcare and
20 Family Services, in development of the standardized form,
21 shall take into consideration the following:

22 (A) Existing prior authorization forms established
23 by the federal Centers for Medicare and Medicaid
24 Services and the Department of Healthcare and Family
25 Services.

26 (B) National standards pertaining to electronic

1 prior authorization.

2 (e) For purposes of this Section, "prescribing provider"
3 includes a provider authorized to write a prescription, as
4 described in subsection (e) of Section 3 of the Pharmacy
5 Practice Act, to treat a medical condition of an insured.

6 Section 10. The Illinois Public Aid Code is amended by
7 adding Section 5-5.12b as follows:

8 (305 ILCS 5/5-5.12b new)

9 Sec. 5-5.12b. Uniform prior authorization form;
10 prescription benefits.

11 (a) Notwithstanding any other provision of law, on and
12 after January 1, 2015, a health care service plan that provides
13 prescription drug benefits shall utilize and accept the prior
14 authorization form developed pursuant to subsection (c) when
15 requiring prior authorization for prescription drug benefits.
16 This Section does not apply in the event that a physician or
17 physician group has been delegated the financial risk for
18 prescription drugs by a health care service plan and does not
19 use a prior authorization process. This Section does not apply
20 to a health care service plan, or to its affiliated providers,
21 if the health care service plan owns and operates its
22 pharmacies and does not use a prior authorization process for
23 prescription drugs.

24 (b) If a health care service plan fails to utilize or

1 accept the prior authorization form, or fails to respond within
2 2 business days upon receipt of a completed prior authorization
3 request from a prescribing provider, pursuant to the submission
4 of the prior authorization form developed as described in
5 subsection (c), the prior authorization request shall be deemed
6 to have been granted.

7 (c) On or before July 1, 2014, the Department and the
8 Department of Insurance shall jointly develop a uniform prior
9 authorization form. Notwithstanding any other provision of
10 law, on and after January 1, 2015, or 6 months after the form
11 is developed, whichever is later, every prescribing provider
12 may use that uniform prior authorization form to request prior
13 authorization for coverage of prescription drug benefits and
14 every health care service plan shall accept that form as
15 sufficient to request prior authorization for prescription
16 drug benefits.

17 (d) The prior authorization form developed pursuant to
18 subsection (c) shall meet the following criteria:

19 (1) The form shall not exceed 2 pages.

20 (2) The form shall be made electronically available by
21 the Department and the health care service plan.

22 (3) The completed form may also be electronically
23 submitted from the prescribing provider to the health care
24 service plan.

25 (4) The Department and the Department of Insurance
26 shall develop the form with input from interested parties

1 from at least one public meeting.

2 (5) The Department and the Department of Insurance, in
3 development of the standardized form, shall take into
4 consideration the following:

5 (A) Existing prior authorization forms established
6 by the federal Centers for Medicare and Medicaid
7 Services and the Department.

8 (B) National standards pertaining to electronic
9 prior authorization.

10 (e) For purposes of this Section, "prescribing provider"
11 includes a provider authorized to write a prescription, as
12 described in subsection (e) of Section 3 of the Pharmacy
13 Practice Act, to treat a medical condition of an enrollee.

14 Section 99. Effective date. This Act takes effect January
15 1, 2014.

1 INDEX

2 Statutes amended in order of appearance

3 215 ILCS 5/364.3 new

4 305 ILCS 5/5-5.12b new