Bill No. HB 95 (2017)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION (Y/N) ADOPTED (Y/N) ADOPTED AS AMENDED ADOPTED W/O OBJECTION (Y/N) (Y/N) FAILED TO ADOPT (Y/N) WITHDRAWN OTHER 1 Committee/Subcommittee hearing bill: Health Innovation 2 Subcommittee 3 Representative Massullo offered the following: 4 5 Amendment (with title amendment) 6 Remove everything after the enacting clause and insert: 7 Section 1. Paragraph (k) is added to subsection (3) of 8 section 110.123, Florida Statutes, to read: 9 110.123 State group insurance program.-10 (3) STATE GROUP INSURANCE PROGRAM.-11 (k) Sections 627.42393 and 641.31(36)(a) do not apply to 12 the state group insurance program. 13 Section 2. Section 627.42393, Florida Statutes, is created to read: 14 15 627.42393 Insurance policies; limiting changes to prescription drug formularies.-16 858783 - h0095-strike.docx Published On: 2/21/2017 6:01:55 PM

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17	(1) Other than at the time of coverage renewal, an
18	individual or group insurance policy that is delivered, issued
19	for delivery, renewed, amended, or continued in this state and
20	that provides medical, major medical, or similar comprehensive
21	coverage may not:
22	(a) Remove a covered prescription drug from its list of
23	covered drugs during the policy year unless the United States
24	Food and Drug Administration has issued a statement about the
25	drug which calls into question the clinical safety of the drug,
26	or the manufacturer of the drug has notified the United States
27	Food and Drug Administration of a manufacturing discontinuance
28	or potential discontinuance of the drug as required by s. 506C
29	of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. s. 356c.
30	(b) Reclassify a drug to a more restrictive drug tier or
31	increase the amount that an insured must pay for a copayment,
32	coinsurance, or deductible for prescription drug benefits, or
33	reclassify a drug to a higher cost-sharing tier during the
34	policy year.
35	(2) This section does not prohibit the addition of
36	prescription drugs to the list of drugs covered under the policy
37	during the policy year.
38	(3) This section does not apply to a grandfathered health
39	plan as defined in s. 627.402 or to benefits set forth in s.
40	627.6513(1)-(14).
41	(4) This section does not alter or amend s. 465.025, which
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42 provides conditions under which a pharmacist may substitute a generically equivalent drug product for a brand name drug 43 44 product. 45 (5) This section does not alter or amend s. 465.0252, 46 which provides conditions under which a pharmacist may dispense 47 a substitute biological product for the prescribed biological 48 product. 49 Section 3. Paragraph (e) of subsection (5) of section 627.6699, Florida Statutes, is amended to read: 50 51 627.6699 Employee Health Care Access Act.-(5) AVAILABILITY OF COVERAGE.-52 53 (e) All health benefit plans issued under this section 54 must comply with the following conditions: For employers who have fewer than two employees, a late 55 1. 56 enrollee may be excluded from coverage for no longer than 24 57 months if he or she was not covered by creditable coverage continually to a date not more than 63 days before the effective 58 59 date of his or her new coverage. 60 2. Any requirement used by a small employer carrier in 61 determining whether to provide coverage to a small employer 62 group, including requirements for minimum participation of 63 eligible employees and minimum employer contributions, must be applied uniformly among all small employer groups having the 64 same number of eligible employees applying for coverage or 65 66 receiving coverage from the small employer carrier, except that 858783 - h0095-strike.docx Published On: 2/21/2017 6:01:55 PM Page 3 of 8

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67 a small employer carrier that participates in, administers, or issues health benefits pursuant to s. 381.0406 which do not 68 69 include a preexisting condition exclusion may require as a 70 condition of offering such benefits that the employer has had no 71 health insurance coverage for its employees for a period of at 72 least 6 months. A small employer carrier may vary application of minimum participation requirements and minimum employer 73 74 contribution requirements only by the size of the small employer 75 group.

76 In applying minimum participation requirements with 3. 77 respect to a small employer, a small employer carrier shall not 78 consider as an eligible employee employees or dependents who 79 have qualifying existing coverage in an employer-based group insurance plan or an ERISA qualified self-insurance plan in 80 determining whether the applicable percentage of participation 81 82 is met. However, a small employer carrier may count eligible 83 employees and dependents who have coverage under another health plan that is sponsored by that employer. 84

4. A small employer carrier shall not increase any requirement for minimum employee participation or any requirement for minimum employer contribution applicable to a small employer at any time after the small employer has been accepted for coverage, unless the employer size has changed, in which case the small employer carrier may apply the requirements that are applicable to the new group size.

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92 5. If a small employer carrier offers coverage to a small 93 employer, it must offer coverage to all the small employer's 94 eligible employees and their dependents. A small employer 95 carrier may not offer coverage limited to certain persons in a 96 group or to part of a group, except with respect to late 97 enrollees.

6. A small employer carrier may not modify any health
benefit plan issued to a small employer with respect to a small
employer or any eligible employee or dependent through riders,
endorsements, or otherwise to restrict or exclude coverage for
certain diseases or medical conditions otherwise covered by the
health benefit plan.

104 7. An initial enrollment period of at least 30 days must 105 be provided. An annual 30-day open enrollment period must be 106 offered to each small employer's eligible employees and their 107 dependents. A small employer carrier must provide special 108 enrollment periods as required by s. 627.65615.

109 <u>8. A small employer carrier must limit changes to</u>
110 prescription drug formularies as required by s. 627.42393.

Section 4. Subsection (36) of section 641.31, Florida Statutes, is amended to read:

113

641.31 Health maintenance contracts.-

(36) A health maintenance organization may increase the copayment for any benefit, or delete, amend, or limit any of the benefits to which a subscriber is entitled under the group

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117 contract only, upon written notice to the contract holder at least 45 days in advance of the time of coverage renewal. The 118 119 health maintenance organization may amend the contract with the 120 contract holder, with such amendment to be effective immediately 121 at the time of coverage renewal. The written notice to the 122 contract holder must shall specifically identify any deletions, 123 amendments, or limitations to any of the benefits provided in 124 the group contract during the current contract period which will be included in the group contract upon renewal. This subsection 125 does not apply to any increases in benefits. The 45-day notice 126 127 requirement does shall not apply if benefits are amended, 128 deleted, or limited at the request of the contract holder.

(a) Other than at the time of coverage renewal, a health maintenance organization that provides medical, major medical, or similar comprehensive coverage may not:

132 1. Remove a covered prescription drug from its list of 133 covered drugs during the contract year unless the United States Food and Drug Administration has issued a statement about the 134 135 drug which calls into question the clinical safety of the drug, 136 or the manufacturer of the drug has notified the United States 137 Food and Drug Administration of a manufacturing discontinuance 138 or potential discontinuance of the drug as required by s. 506C of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. s. 356c. 139 140 2. Reclassify a drug to a more restrictive drug tier or increase the amount that an insured must pay for a copayment, 141 858783 - h0095-strike.docx

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142	coinsurance, or deductible for prescription drug benefits, or
143	reclassify a drug to a higher cost-sharing tier during the
144	contract year.
145	(b) This subsection does not:
146	1. Prohibit the addition of prescription drugs to the list
147	of drugs covered during the contract year.
148	2. Apply to a grandfathered health plan as defined in s.
149	<u>627.402 or to benefits set forth in s. 627.6513(1)-(14).</u>
150	3. Alter or amend s. 465.025, which provides conditions
151	under which a pharmacist may substitute a generically equivalent
152	drug product for a brand name drug product.
153	4. Alter or amend s. 465.0252, which provides conditions
154	under which a pharmacist may dispense a substitute biological
155	product for the prescribed biological product.
156	Section 5. The Legislature finds that this act fulfills an
157	important state interest.
158	Section 6. This act shall take effect January 1, 2018.
159	
160	
161	TITLE AMENDMENT
162	Remove everything before the enacting clause and insert:
163	A bill to be entitled
164	An act relating to consumer protection from nonmedical
165	changes to prescription drug formularies; amending s.
166	110.123, F.S.; providing that certain provisions
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167 prohibiting nonmedical changes to prescription drug 168 formularies do not apply to the state group insurance 169 program; creating s. 627.42393, F.S.; limiting, under 170 specified circumstances, changes to a health insurance 171 policy prescription drug formulary during a policy 172 year; providing construction and applicability; amending s. 627.6699, F.S.; requiring small employer 173 174 carriers to limit changes to prescription drug formularies under certain circumstances; amending s. 175 176 641.31, F.S.; limiting, under specified circumstances, 177 changes to a health maintenance contract prescription 178 drug formulary during a contract year; providing 179 construction and applicability; providing a 180 declaration of important state interest; providing an 181 effective date.

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