# **SENATE BILL 606**

C3, J1	5lr1725
	CF HB 887

By: Senators Pugh, Astle, Benson, Conway, Currie, DeGrange, Eckardt, Feldman, Ferguson, Gladden, Guzzone, Jennings, Kagan, King, Klausmeier, Lee, Manno, Mathias, McFadden, Miller, Muse, Nathan-Pulliam, Peters, Ramirez, Young, and Zirkin Zirkin, Hershey, Kelley, Middleton, and Reilly Introduced and read first time: February 6, 2015 Assigned to: Finance

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments Read second time: March 17, 2015

#### CHAPTER \_\_\_\_\_

#### 1 AN ACT concerning

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### Health Insurance – Abuse–Deterrent Opioid Analgesic Drug Products – Coverage

4 FOR the purpose of requiring certain insurers, nonprofit health service plans, and health  $\mathbf{5}$ maintenance organizations to provide certain coverage for a certain minimum 6 number of brand name abuse-deterrent opioid analgesic drug products and, if 7 available, a certain minimum number of generic abuse-deterrent opioid analgesic 8 drug products; prohibiting the insurers, nonprofit health service plans, and health maintenance organizations from imposing certain limits or cost-sharing 9 requirements on coverage for abuse-deterrent opioid analgesic drug products that 10 are less favorable to an insured or an enrollee than the limits or cost-sharing 11 requirements that apply to coverage for any other opioid analgesic drug product; 1213 prohibiting the insurers, nonprofit health service plans, and health maintenance organizations from requiring an insured or an enrollee to first use a certain drug 14 15product before providing coverage for <del>an</del> a certain abuse–deterrent opioid analgesic 16 drug product; prohibiting the insurers, nonprofit health service plans, and health 17maintenance organizations from increasing certain cost-sharing requirements or 18 other out-of-pocket expenses to achieve certain compliance; authorizing the 19 insurers, nonprofit health service plans, and health maintenance organizations to 20undertake utilization review for an abuse-deterrent opioid analgesic drug product under certain circumstances; defining certain terms; providing for the application of 21

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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$rac{1}{2}$	this Act; <u>providing for a delayed effective date</u> ; and generally relating to health insurance coverage for abuse–deterrent opioid analgesic drug products.
3 4 5 6 7	BY adding to Article – Insurance Section 15–848 Annotated Code of Maryland (2011 Replacement Volume and 2014 Supplement)
8	Preamble
9 10 11	WHEREAS, Prescription opioid analgesics are an important treatment option for individuals with severe pain, such as those who have experienced catastrophic or acute injuries, often allowing some to resume their daily activities; and
12 13	WHEREAS, Some individuals, however, have abused and misused opioid analgesics, creating urgent and growing public health concerns; and
$\begin{array}{c} 14 \\ 15 \end{array}$	WHEREAS, The U.S. Food and Drug Administration recognizes and considers the development of opioids that are formulated to deter abuse a high public health priority; and
16 17 18 19	WHEREAS, Maryland recognizes the need to eliminate barriers to abuse-deterrent formulations as an important step in reducing abuse of opiates while ensuring that these medicines remain available to those who need them for legitimate medical purposes; now, therefore,
$\begin{array}{c} 20\\ 21 \end{array}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
22	Article – Insurance
23	15-848.
$\begin{array}{c} 24 \\ 25 \end{array}$	(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
26	(2) "Abuse-deterrent opioid analgesic drug product"
27	MEANS A BRAND NAME OR GENERIC OPIOID ANALGESIC DRUG PRODUCT APPROVED
28	BY THE U.S. FOOD AND DRUG ADMINISTRATION WITH ABUSE-DETERRENT
29	LABELING THAT INDICATES THE DRUG PRODUCT IS EXPECTED TO RESULT IN A
30	MEANINGFUL REDUCTION IN ABUSE.
31	(3) "OPIOID ANALGESIC DRUG PRODUCT" MEANS A DRUG PRODUCT
32	THAT CONTAINS AN OPIOID AGONIST AND IS INDICATED BY THE U.S. FOOD AND
33	DRUG ADMINISTRATION FOR THE TREATMENT OF PAIN, REGARDLESS OF WHETHER

 $\mathbf{2}$ 

THE DRUG PRODUCT:

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1	(I) IS IN IMMEDIATE RELEASE OR EXTENDED RELEASE FORM;
2	OR
3	(II) CONTAINS OTHER DRUG SUBSTANCES.
4	(B) (1) THIS SECTION APPLIES TO:
<b>5</b>	(I) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT
6	PROVIDE COVERAGE FOR PRESCRIPTION DRUGS UNDER INDIVIDUAL, GROUP, OR
<b>7</b>	BLANKET HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR
8	DELIVERED IN THE STATE; AND
9	(II) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE
$\frac{9}{10}$	COVERAGE FOR PRESCRIPTION DRUGS UNDER INDIVIDUAL OR GROUP CONTRACTS
10	THAT ARE ISSUED OR DELIVERED IN THE STATE.
11	THAT ARE ISSUED OR DELIVERED IN THE STATE.
12	(2) AN INSURER, A NONPROFIT HEALTH SERVICE PLAN, OR A HEALTH
13	MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR PRESCRIPTION
14	DRUGS THROUGH A PHARMACY BENEFITS MANAGER IS SUBJECT TO THE
15	REQUIREMENTS OF THIS SECTION.
16	(C) (1) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE
17	COVERAGE FOR ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCTS.
18	(2) AN ENTITY SUBJECT TO THIS SECTION MAY NOT:
19	(I) IMPOSE DOLLAR LIMITS, COPAYMENTS, DEDUCTIBLES, OR
20	COINSURANCE REQUIREMENTS ON COVERAGE FOR AN ABUSE-DETERRENT OPIOID
21	ANALGESIC DRUG PRODUCT THAT ARE LESS FAVORABLE TO AN INSURED OR AN
22	ENROLLEE THAN THE DOLLAR LIMITS, COPAYMENTS, DEDUCTIBLES, OR
23	COINSURANCE REQUIREMENTS THAT APPLY TO COVERAGE FOR ANY OTHER OPIOID
24	ANALGESIC DRUG PRODUCT; OR:
<b></b>	
25	(I) <u>AT LEAST TWO BRAND NAME ABUSE-DETERRENT OPIOID</u>
26	ANALGESIC DRUG PRODUCTS, EACH CONTAINING DIFFERENT ANALGESIC
27	INGREDIENTS, ON THE LOWEST COST TIER FOR BRAND NAME PRESCRIPTION DRUGS
28	ON THE ENTITY'S FORMULARY FOR PRESCRIPTION DRUG COVERAGE; AND
29	(II) IF AVAILABLE, AT LEAST TWO GENERIC ABUSE–DETERRENT
$\frac{20}{30}$	OPIOID ANALGESIC DRUG PRODUCTS, EACH CONTAINING DIFFERENT ANALGESIC
31	INGREDIENTS, ON THE LOWEST COST TIER FOR GENERIC DRUGS ON THE ENTITY'S
32	FORMULARY FOR PRESCRIPTION DRUG COVERAGE.

1(H) (2)AN ENTITY SUBJECT TO THIS SECTION MAY NOT2REQUIRE AN INSURED OR AN ENROLLEE TO FIRST USE AN OPIOID ANALGESIC DRUG3PRODUCT WITHOUT ABUSE-DETERRENT LABELING BEFORE PROVIDING COVERAGE4FOR AN ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCT COVERED ON THE5ENTITY'S FORMULARY FOR PRESCRIPTION DRUG COVERAGE.

6 (3) AN ENTITY SUBJECT TO THIS SECTION MAY NOT INCREASE 7 COPAYMENTS, DEDUCTIBLES, OR COINSURANCE REQUIREMENTS OR OTHER 8 OUT OF POCKET EXPENSES IMPOSED ON OPIOID ANALCESIC DRUG PRODUCTS TO 9 ACHIEVE COMPLIANCE WITH THIS SECTION.

10 (D) NOTWITHSTANDING SUBSECTION (C)(2) OF THIS SECTION, AN ENTITY 11 SUBJECT TO THIS SECTION MAY UNDERTAKE UTILIZATION REVIEW, INCLUDING 12 PREAUTHORIZATION, FOR AN ABUSE-DETERRENT OPIOID ANALGESIC DRUG 13 PRODUCT <u>COVERED BY THE ENTITY</u>, IF THE SAME UTILIZATION REVIEW 14 REQUIREMENTS ARE APPLIED TO NON-ABUSE-DETERRENT OPIOID ANALGESIC 15 DRUG PRODUCTS <u>COVERED BY THE ENTITY IN THE SAME FORMULARY TIER AS THE</u> 16 <u>ABUSE-DETERRENT OPIOID ANALGESIC PRODUCT</u>.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all 18 policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or 19 after October 1, 2015 January 1, 2016.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 21 October 1, 2015 January 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.