

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

Senate Bill 304

BY SENATORS FERNS, TAKUBO, ASHLEY, KARNES, LAIRD,
LEONHARDT, PALUMBO, PLYMALE, PREZIOSO, STOLLINGS,
TRUMP, UNGER, WALTERS, WOELFEL, MILLER AND BOSO

[Introduced January 15, 2016;

Referred to the Committee on Banking and Insurance; and
then to the Committee on Health and Human Resources.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §33-15-4m; to amend said code by adding thereto a new section, designated
 3 §33-16-3y; to amend said code by adding thereto a new section, designated §33-24-7n;
 4 to amend said code by adding thereto a new section, designated §33-25-8k; and to amend
 5 said code by adding thereto a new section, designated §33-25A-8m, all relating to abuse-
 6 deterrent opioid analgesic drugs; providing insurance cover abuse-deterrent opioid
 7 analgesic drugs; providing direct health care services cover abuse-deterrent opioid
 8 analgesic drugs; providing certain contracts cover abuse-deterrent opioid analgesic drugs;
 9 defining terms; providing an effective date; providing for cost sharing; providing for cost
 10 tier location; and allowing cost containment measures.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §33-15-4m; that said code be amended by adding thereto a new section,
 3 designated §33-16-3y; that said code be amended by adding thereto a new section, designated
 4 §33-24-7n; that said code be amended by adding thereto a new section, designated §33-25-8k;
 5 and that said code be amended by adding thereto a new section, designated §33-25A-8m, all to
 6 read as follows:

CHAPTER 33. INSURANCE

ARTICLE 15. ACCIDENT AND SICKNESS INSURANCE.

§33-15-4m. Deductibles, copayments and coinsurance for abuse deterrent opioid analgesic drugs.

1 (a) As used in this section:

2 (1) "Abuse-deterrent opioid analgesic drug product" means a brand name or generic opioid
 3 analgesic drug product approved by the United States Food and Drug Administration with abuse

4 deterrent labeling that indicates its abuse-deterrent properties are expected to deter or reduce its
5 abuse;

6 (2) "Cost sharing" means any coverage limit, copayment, coinsurance, deductible, or other
7 out of pocket expense requirements;

8 (3) "Opioid analgesic drug product" means a drug product that contains an opioid agonist
9 and is indicated by the United States Food and Drug Administration for the treatment of pain,
10 regardless of whether the drug product:

11 (A) Is in immediate release or extended release form; or

12 (B) Contains other drug substances.

13 (b) Notwithstanding any provision of any accident and sickness insurance policy issued
14 by an insurer, on or after January 1, 2017, it shall provide coverage for:

15 (1) At least one abuse-deterrent opioid analgesic drug product;

16 (2) Cost-sharing for brand name abuse-deterrent opioid analgesic drug products shall not
17 exceed the lowest tier for brand name prescription drugs on the entity's formulary for prescription
18 drug coverage;

19 (3) Cost-sharing for generic abuse-deterrent opioid analgesic drug products covered
20 pursuant to this section shall not exceed the lowest cost-sharing level applied to generic
21 prescription drugs covered under the applicable health plan or policy;

22 (4) An entity subject to this section may not require an insured or enrollee to first use an
23 opioid analgesic drug product without abuse deterrent labeling before providing coverage for an
24 abuse deterrent opioid analgesic drug product covered on the entity's formulary for prescription
25 drug coverage.

26 (c) Notwithstanding subdivision (3) of subsection (b), an entity subject to this section may
27 undertake utilization review including preauthorization, for an abuse deterrent opioid analgesic
28 drug product covered by the entity, if the same utilization review requirements are applied to
29 nonabuse deterrent opioid analgesic drug products covered by the entity in the same formulary

30 tier as the abuse deterrent opioid analgesic product and with the same type of drug release,
31 immediate or extended.

ARTICLE 16. GROUP ACCIDENT AND SICKNESS INSURANCE.

**§33-16-3y. Deductibles, copayments and coinsurance for abuse deterrent opioid analgesic
drugs.**

32 (a) As used in this section:

33 (1) “Abuse-deterrent opioid analgesic drug product” means a brand name or generic opioid
34 analgesic drug product approved by the United States Food and Drug Administration with abuse
35 deterrent labeling that indicates its abuse-deterrent properties are expected to deter or reduce its
36 abuse;

37 (2) “Cost sharing” means any coverage limit, copayment, coinsurance, deductible, or other
38 out of pocket expense requirements;

39 (3) “Opioid analgesic drug product” means a drug product that contains an opioid agonist
40 and is indicated by the United States Food and Drug Administration for the treatment of pain,
41 regardless of whether the drug product:

42 (A) Is in immediate release or extended release form; or

43 (B) Contains other drug substances.

44 (b) Notwithstanding any provision of any group accident and sickness insurance policy
45 issued by an insurer pursuant to this article, on or after January 1, 2017, it shall provide coverage
46 for:

47 (1) At least one abuse-deterrent opioid analgesic drug product;

48 (2) Cost-sharing for brand name abuse-deterrent opioid analgesic drug products shall not
49 exceed the lowest tier for brand name prescription drugs on the entity’s formulary for prescription
50 drug coverage;

51 (3) Cost-sharing for generic abuse-deterrent opioid analgesic drug products covered
 52 pursuant to this section shall not exceed the lowest cost-sharing level applied to generic
 53 prescription drugs covered under the applicable health plan or policy;

54 (4) An entity subject to this section may not require an insured or enrollee to first use an
 55 opioid analgesic drug product without abuse deterrent labeling before providing coverage for an
 56 abuse deterrent opioid analgesic drug product covered on the entity's formulary for prescription
 57 drug coverage.

58 (c) Notwithstanding subdivision (3) of subsection (b), an entity subject to this section may
 59 undertake utilization review including preauthorization, for an abuse deterrent opioid analgesic
 60 drug product covered by the entity, if the same utilization review requirements are applied to
 61 nonabuse deterrent opioid analgesic drug products covered by the entity in the same formulary
 62 tier as the abuse deterrent opioid analgesic product and with the same type of drug release,
 63 immediate or extended.

ARTICLE 24. HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS, DENTAL SERVICE CORPORATIONS AND HEALTH SERVICE CORPORATIONS.

§33-24-7n. Deductibles, copayments and coinsurance for abuse deterrent opioid analgesic drugs.

1 (a) As used in this section:

2 (1) "Abuse-deterrent opioid analgesic drug product" means a brand name or generic opioid
 3 analgesic drug product approved by the United States Food and Drug Administration with abuse
 4 deterrent labeling that indicates its abuse-deterrent properties are expected to deter or reduce its
 5 abuse;

6 (2) "Cost sharing" means any coverage limit, copayment, coinsurance, deductible, or other
 7 out of pocket expense requirements;

8 (3) “Opioid analgesic drug product” means a drug product that contains an opioid agonist
9 and is indicated by the United States Food and Drug Administration and is indicated by the United
10 States Food and Drug Administration for the treatment of pain, regardless of whether the drug
11 product:

12 (A) Is in immediate release or extended release form; or

13 (B) Contains other drug substances.

14 (b) Notwithstanding any provision of any policy, provision, contract, plan or agreement to
15 which this article applies, on or after January 1, 2017, it shall provide coverage for:

16 (1) At least one abuse-deterrent opioid analgesic drug product;

17 (2) Cost-sharing for brand name abuse-deterrent opioid analgesic drug products shall not
18 exceed the lowest tier for brand name prescription drugs on the entity’s formulary for prescription
19 drug coverage;

20 (3) Cost-sharing for generic abuse-deterrent opioid analgesic drug products covered
21 pursuant to this section shall not exceed the lowest cost-sharing level applied to generic
22 prescription drugs covered under the applicable health plan or policy;

23 (4) An entity subject to this section may not require an insured or enrollee to first use an
24 opioid analgesic drug product without abuse deterrent labeling before providing coverage for an
25 abuse deterrent opioid analgesic drug product covered on the entity’s formulary for prescription
26 drug coverage.

27 (c) Notwithstanding subdivision (3) of subsection (b), an entity subject to this section may
28 undertake utilization review including preauthorization, for an abuse deterrent opioid analgesic
29 drug product covered by the entity, if the same utilization review requirements are applied to
30 nonabuse deterrent opioid analgesic drug products covered by the entity in the same formulary
31 tier as the abuse deterrent opioid analgesic product and with the same type of drug release,
32 immediate or extended.

ARTICLE 25. HEALTH CARE CORPORATIONS.

§33-25-8k. Deductibles, copayments and coinsurance for abuse deterrent opioid analgesic drugs.

1 (a) As used in this section:

2 (1) "Abuse-deterrent opioid analgesic drug product" means a brand name or generic opioid
3 analgesic drug product approved by the United States Food and Drug Administration with abuse
4 deterrent labeling that indicates its abuse-deterrent properties are expected to deter or reduce its
5 abuse;

6 (2) "Cost sharing" means any coverage limit, copayment, coinsurance, deductible, or other
7 out of pocket expense requirements;

8 (3) "Opioid analgesic drug product" means a drug product that contains an opioid agonist
9 and is indicated by the United States Food and Drug Administration for the treatment of pain,
10 regardless of whether the drug product:

11 (A) Is in immediate release or extended release form; or

12 (B) Contains other drug substances.

13 (b) Notwithstanding any provision of any policy, provision, contract, plan or agreement to
14 which this article applies, on or after January 1, 2017, it shall provide coverage for:

15 (1) At least one abuse-deterrent opioid analgesic drug product;

16 (2) Cost-sharing for brand name abuse-deterrent opioid analgesic drug products shall not
17 exceed the lowest tier for brand name prescription drugs on the entity's formulary for prescription
18 drug coverage;

19 (3) Cost-sharing for generic abuse-deterrent opioid analgesic drug products covered
20 pursuant to this section shall not exceed the lowest cost-sharing level applied to generic
21 prescription drugs covered under the applicable health plan or policy;

22 (4) An entity subject to this section may not require an insured or enrollee to first use an
23 opioid analgesic drug product without abuse deterrent labeling before providing coverage for an

24 abuse deterrent opioid analgesic drug product covered on the entity's formulary for prescription
25 drug coverage.

26 (c) Notwithstanding subdivision (3) of subsection (b), an entity subject to this section may
27 undertake utilization review including preauthorization, for an abuse deterrent opioid analgesic
28 drug product covered by the entity, if the same utilization review requirements are applied to
29 nonabuse deterrent opioid analgesic drug products covered by the entity in the same formulary
30 tier as the abuse deterrent opioid analgesic product and with the same type of drug release,
31 immediate or extended.

ARTICLE 25A. HEALTH MAINTENANCE ORGANIZATION ACT.

§33-25A-8m. Deductibles, copayments and coinsurance for abuse deterrent opioid analgesic drugs.

1 (a) As used in this section:

2 (1) "Abuse-deterrent opioid analgesic drug product" means a brand name or generic opioid
3 analgesic drug product approved by the United States Food and Drug Administration with abuse
4 deterrent labeling that indicates its abuse-deterrent properties are expected to deter or reduce its
5 abuse;

6 (2) "Cost sharing" means any coverage limit, copayment, coinsurance, deductible, or other
7 out- of- pocket expense requirements;

8 (3) "Opioid analgesic drug product" means a drug product that contains an opioid agonist
9 and is indicated by the United States Food and Drug Administration for the treatment of pain,
10 regardless of whether the drug product:

11 (A) Is in immediate release or extended release form; or

12 (B) Contains other drug substances.

13 (b) Notwithstanding any provision of any policy, provision, contract, plan or agreement to
14 which this article applies, on or after January 1, 2017, it shall provide coverage for:

15 (1) At least one abuse-deterrent opioid analgesic drug product;

16 (2) Cost-sharing for brand name abuse-deterrent opioid analgesic drug products shall not
17 exceed the lowest tier for brand name prescription drugs on the entity's formulary for prescription
18 drug coverage;

19 (3) Cost-sharing for generic abuse-deterrent opioid analgesic drug products covered
20 pursuant to this section shall not exceed the lowest cost-sharing level applied to generic
21 prescription drugs covered under the applicable health plan or policy;

22 (4) An entity subject to this section may not require an insured or enrollee to first use an
23 opioid analgesic drug product without abuse deterrent labeling before providing coverage for an
24 abuse deterrent opioid analgesic drug product covered on the entity's formulary for prescription
25 drug coverage.

26 (c) Notwithstanding subdivision (3) of subsection (b), an entity subject to this section may
27 undertake utilization review including preauthorization, for an abuse deterrent opioid analgesic
28 drug product covered by the entity, if the same utilization review requirements are applied to
29 nonabuse deterrent opioid analgesic drug products covered by the entity in the same formulary
30 tier as the abuse deterrent opioid analgesic product and with the same type of drug release,
31 immediate or extended.

NOTE: The purpose of this bill is to provide insurance coverage for abuse-deterrent opioid analgesic drugs. It provides that direct health care services cover abuse-deterrent opioid analgesic drugs while also providing certain contracts cover abuse-deterrent opioid analgesic drugs. It, additionally define applicable terms while providing an effective date. It further provides for cost sharing while providing for cost tier location and allowing cost containment measures.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.

This bill has been recommended for passage during the 2016 session of the Legislature by the Joint Committee on Health.