

## **BILL SUMMARY**

1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB1808</b>
<b>Version:</b>	<b>FULLPCS1</b>
<b>Request Number:</b>	<b>13058</b>
<b>Author:</b>	<b>Rep. Newton</b>
<b>Date:</b>	<b>3/6/2025</b>
<b>Impact:</b>	<b>Medicaid &amp; HealthChoice: Potential Costs</b>

### **Research Analysis**

The proposed oversight committee substitute for HB 1808 requires utilization review entities to make their prescription drug prior authorization requirements, including clinical criteria, easily accessible for both enrollees and healthcare providers on their websites. All health benefit plans must make current drug formularies easily accessible on their websites and submit the link to the formulary to the Insurance Commissioner by October 1 each year.

Utilization review entities must make prescription drug prior authorization or adverse determinations within specified timeframes. Any changes to these requirements must be communicated clearly and in advance. All adverse determinations must include alternative drugs covered by the health plan's formulary and be made by a qualified physician, pharmacist, or licensed mental health professional under the clinical direction of the committee or board responsible for developing drug use policies, evaluating clinical appropriateness, and ensuring effective drug use when reviewing prescription prior authorizations. Appeals must be reviewed by a qualified physician, pharmacist, or licensed mental health professional who was not involved in making the adverse determination and has no financial interest in the appeal's outcome.

The measure prohibits prior authorization requirements for drugs administered as emergency healthcare services. Prior authorizations for drugs used in treatment for chronic conditions must remain valid for three years after the provider receives the prior authorization approval unless certain circumstances are met. Utilization review entities must honor prior authorizations from previous entities for a specified period when an enrollee changes health plans or products.

The Insurance Commissioner may impose a penalty of up to \$5,000 for any violation of the measure.

Prepared By: Autumn Mathews

### **Fiscal Analysis**

The proposed oversight committee substitute to HB 1808 creates the Ensuring Transparency in Prescription Drugs Prior Authorization Act, which outlines the requirements of utilization review entities and health benefit plans during the prior authorization process.

The Oklahoma Health Care Authority (OHCA) has been contacted regarding the potential fiscal impact on the state's HealthChoice plan and Medicaid program. As OHCA provides feedback on potential costs, this impact will be updated.

Prepared By: Alexandra Ladner, House Fiscal Staff

**Other Considerations**

None.

© 2025 Oklahoma House of Representatives, see Copyright Notice at [www.okhouse.gov](http://www.okhouse.gov)