GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 821 (Second Edition)

SHORT TITLE: Proper Administration of Step Therapy.

SPONSOR(S): Representatives Lewis and Wray

FISCAL IMPACT (\$ in millions)					
	▼ Yes	✓ No	□ No Estimate Available		
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
Special Fund Revenues:					
Special Fund Expenditures:					
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Impact		1	1		
Revenues:					
Expenditures:					
•					
NET LOCAL IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
PRINCIPAL DEPAR	RTMENT(S) & PR	OGRAM(S) AFFE	CTED:		
Department of Insurance					
EFFECTIVE DATE	: October 1, 2015				
TECHNICAL CONS	SIDERATIONS:				

BILL SUMMARY:

This bill requires health benefit plans to incorporate appropriate protocols and exceptions when including step therapy plans as part of its benefits. The bill requires the development of clinical review criteria to be used to establish step therapy protocols. The Commissioner of Insurance is required to adopt rules to implement this bill.

ASSUMPTIONS AND METHODOLOGY:

The Department of Insurance (DOI) would be required to provide review of health benefit plans containing step therapy. Since DOI already reviews health benefit plans, this additional duty would be incorporated into existing staff workload and there is no additional cost to DOI.

SOURCES OF DATA:

Department of Insurance

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Lisa Hollowell

APPROVED BY:

Mark Trogdon, Director **Fiscal Research Division**

DATE: July 21, 2015



Signed Copy Located in the NCGA Principal Clerk's Offices