



AB 374, STEP THERAPY OVERRIDE DETERMINATION ASSEMBLYMEMBER ADRIN NAZARIAN

Background:

More than 16 million Californians have a chronic condition. Women are more likely than men to have chronic conditions. Individuals with chronic conditions are greatly impacted by health plans and insurers reliance on “step therapy.”

“Step therapy” or “fail-first” is the process whereby health plans and insurers frequently deny coverage of proven and effective medications. Step therapy requires medications within a class of drugs to be used before a second-line medication is tried. Front-line drugs, which are cheaper generics, are also substituted for the name-brand drug.

Under step therapy, even though a doctor recommends drug A to treat a patient’s individual medical need, a health plan may require the patient to first try drugs B, C, D, and so on. Only after these drugs are shown to be ineffective can the patient receive the medicine the doctor prescribed.

Plans utilize step therapy to reduce their costs. This process forces patients to “fail first” on several alternative medications, before they are permitted to obtain the medication deemed appropriate, by the prescribing provider.

This bill:

AB 374 allows a prescribing provider, based on his/her professional judgment, to request a step therapy override determination from a health plan or insurer, on behalf of a patient.

A step therapy override determination request shall be expeditiously granted by the health plan/insurer, if the prescription drug required by the plan:

1. Is contraindicated or will likely cause an adverse reaction to the patient.
2. Is expected to be ineffective based on the known relevant physical or mental characteristics of the patient and the known characteristics of the prescription drug.
3. Is not in the best interest of the patient, based on medical appropriateness.
4. Will interrupt the patient’s stability on a prescription drug selected by their provider.
5. Has not been approved by the federal Food and Drug Administration for the patient’s condition.

“Step therapy override determination” means a determination as to whether a step therapy protocol should apply in a particular patient’s situation, or whether the step therapy protocol should be overridden in favor of immediate coverage of the selected prescription drug.

Purpose:

Step therapy is based solely on cost and does not take into consideration patients’ unique needs. AB 374 is an attempt to decrease the common and routine practice of denying patients the prescription medications they need. Anecdotal data shows that plans may require a patient to try up to five different medications before receiving the one prescribed by their provider. Also, the duration of this protocol is left up to the health plan and has been known to last up to 90 days.

AB 374 does not prohibit step therapy protocols; rather, the bill establishes an override process. The bill ensures that a provider’s professional judgment is respected; the provider’s prescription medication, based on the unique situation of a patient, is delivered to the patient. The insurer is not the treating provider and cannot possibly know the individual circumstances or pain a particular patient may be undergoing. It does not make sense for the plan to have complete and ultimate control on the medications a patient is allowed to try.

Use of step therapy leads to an exacerbation of a patient’s condition, causing irreversible deterioration or damage to the patient, such as limiting their daily functions and ability to remain a productive member of the workforce and society.

Support:

Arthritis Foundation (Co-Sponsor)
California Rheumatology Alliance (Co-Sponsor)
Association of Northern California Oncologists
Susan G. Komen

Opposition:

None on file

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