

House Bill 1507

By: Representatives Stephens of the 164th, Ehrhart of the 36th, Parrish of the 156th, Graves of the 137th, Parham of the 141st, and others

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated,
2 relating to insurance generally, so as to prohibit prior authorization for a prescription drug
3 which a drug manufacturer provides to a community pharmacy at the lowest price of a
4 pricing structure; to provide for definitions; to provide for related powers and duties; to
5 repeal conflicting laws; and for other purposes.

6 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

7 **SECTION 1.**

8 Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to
9 insurance generally, is amended by adding a new Code section to the end of such article to
10 read as follows:

11 "33-24-59.13.

12 (a) As used in this Code section, the term:

13 (1) 'Health benefit plan or policy' means any individual or group plan, policy, or contract
14 for health care services issued, delivered, issued for delivery, or renewed in this state,
15 including, but not limited to, by a health care corporation, health maintenance
16 organization, preferred provider organization, accident and sickness insurer, fraternal
17 benefit society, hospital service corporation, medical service corporation, workers'
18 compensation insurance carrier in accordance with Chapter 9 of Title 34, other insurer
19 or similar entity, the state health benefit plan under Article 1 of Chapter 18 of Title 45,
20 the medical assistance program under Article 7 of Chapter 4 of Title 49, the PeachCare
21 for Kids program under Article 13 of Chapter 5 of Title 49, or any other health benefit
22 plan or policy administered by or on behalf of the state.

23 (2) 'Insurer' means a health care corporation, health maintenance organization, accident
24 and sickness insurer, fraternal benefit society, hospital service corporation, medical
25 service corporation, workers' compensation insurance carrier, managed care plan other
26 than a dental plan, or any similar entity authorized to issue contracts under Title 33, and

1 shall also include the state for purposes of the state health benefit plan under Article 1 of
2 Chapter 18 of Title 45, the medical assistance program under Article 7 of Chapter 4 of
3 Title 49, the PeachCare for Kids program under Article 13 of Chapter 5 of Title 49, or
4 any other health benefit plan or policy administered by or on behalf of the state.

5 (3) 'Prescription drug' has the meaning provided by Code Section 26-4-5.

6 (b) No health benefit plan or policy issued, delivered, or renewed in this state by an insurer
7 shall require prior approval for a prescription drug if a drug manufacturer utilizing a pricing
8 structure for sales to various classes of trade provides that a community pharmacy is
9 charged the lowest price in the pricing structure for such prescription drug."

10 **SECTION 2.**

11 All laws and parts of laws in conflict with this Act are repealed.