

The House Committee on Insurance offers the following substitute to SB 416:

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Chapter 64 of Title 33 of the Official Code of Georgia Annotated, relating to
2 regulation and licensure of pharmacy benefits managers, so as to authorize the Department
3 of Insurance to develop exchange standards regarding electronic prior authorization drug
4 requests with health care providers; to provide a definition; to provide that facsimiles are not
5 electronic submissions; to provide for adoption of the National Council of Prescription Drug
6 Programs standards; to provide clinical workflow decision support of physician providers;
7 to provide transmission security; to provide for related matters; to repeal conflicting laws;
8 and for other purposes.

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

10 **SECTION 1.**

11 Chapter 64 of Title 33 of the Official Code of Georgia Annotated, relating to regulation and
12 licensure of pharmacy benefits managers, is amended by adding a new Code section to read
13 as follows:

14 "33-64-8.

15 (a) As used in this Code section, 'electronic prior authorization' or 'e-prior authorization'
16 means a requirement that a prescriber obtain approval via electronic media from a health
17 plan to prescribe a specific medication prior to dispensing. Facsimiles shall not be
18 considered an electronic submission under this Code section except in the event that such
19 electronic media is temporarily unavailable due to system failure or outage.

20 (b) No later than 24 months after the adoption of standards by the National Council of
21 Prescription Drug Programs, the department shall under the direction of the Commissioner
22 adopt standards by which the pharmacy benefits manager shall exchange standard e-prior
23 authorization requests with health care providers for drugs and devices using electronic
24 data interchange standards consistent with those adopted by the National Council of
25 Prescription Drug Programs. Such standards shall support clinical workflow decision
26 support of the physician provider.

27 (c) No later than 24 months after the adoption of standards by the National Council of
28 Prescription Drug Programs, e-prior authorization requests shall be accessible and
29 submitted by providers to pharmacy benefits managers and health plans through secure
30 electronic transmissions utilizing the current National Council of Prescription Drug
31 Programs electronic prior authorization standard.

32 (d) Nothing in this Code section shall require any health care provider to participate in
33 e-prior authorization or electronic prior authorization in order to obtain the necessary
34 authorization for patient care."

SECTION 2.

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