

House Bill 654

By: Representatives Campbell of the 35<sup>th</sup>, Au of the 50<sup>th</sup>, Wilkerson of the 38<sup>th</sup>, Clark of the 108<sup>th</sup>, and Westbrook of the 163<sup>rd</sup>

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 general provisions regarding insurance, so as to prohibit insurers or third-party  
3 administrators from conditioning the payment of any medical test or procedure or  
4 prescription drug benefit on prior authorization; to amend Chapter 64 of Title 33 of the  
5 Official Code of Georgia Annotated, relating to regulation and licensure of pharmacy benefit  
6 managers, so as to prohibit pharmacy benefit managers from conditioning the payment of any  
7 benefit for a prescription drug on prior authorization; to amend Article 2 of Chapter 34 of  
8 Title 43 of the Official Code of Georgia Annotated, relating to medical practice, so as to  
9 provide that a physician shall not be required to obtain any prior authorization in their  
10 exercise of patient healthcare; to amend Part 1 of Article 1 of Chapter 18 of Title 45 of the  
11 Official Code of Georgia Annotated, relating to state employees' health insurance plan, so  
12 as not to condition the payment of any medical test or procedure or prescription drug benefit  
13 on prior authorization; to provide for definitions; to provide for related matters; to provide  
14 for an effective date and applicability; to repeal conflicting laws; and for other purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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**SECTION 1.**

16

17 Article 1 of Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to  
18 general provisions regarding insurance, is amended by adding a new Code section to read as  
19 follows:

20 "33-24-59.34.

21 (a) As used in this Code section, the term 'health benefit plan' means any individual or  
22 group plan, policy, or contract for healthcare services issued, delivered, issued for delivery,  
23 or renewed in this state which provides major medical benefits by a healthcare corporation,  
24 health maintenance organization, preferred provider organization, accident and sickness  
25 insurer, fraternal benefit society, hospital service corporation, medical service corporation,  
26 or other insurer or similar entity.

27 (b) Notwithstanding any provision of law to the contrary, neither an insurer nor a  
28 third-party administrator shall condition the payment of any benefit for a medical test or  
29 procedure or for a prescription drug upon any preapproval, prior authorization, or  
30 precertification of any kind by an insurer if such test, procedure, or prescription drug is  
31 otherwise covered under the health benefit plan and such medical test, procedure, or  
32 prescription drug has been prescribed by licensed healthcare provider."

**SECTION 2.**

33

34 Chapter 64 of Title 33 of the Official Code of Georgia Annotated, relating to regulation and  
35 licensure of pharmacy benefit managers, is amended by adding a new Code section to read  
36 as follows:

37 "33-64-14.

38 (a) As used in this Code section, the term 'health benefit plan' means any individual or  
39 group plan, policy, or contract for healthcare services issued, delivered, issued for delivery,  
40 or renewed in this state which provides major medical benefits by a healthcare corporation,  
41 health maintenance organization, preferred provider organization, accident and sickness

42 insurer, fraternal benefit society, hospital service corporation, medical service corporation,  
43 or other insurer or similar entity.

44 (b) Notwithstanding any provision of law to the contrary, a pharmacy benefit manager  
45 shall not condition the payment of any benefit for a prescription drug upon any  
46 preapproval, prior authorization, or precertification of any kind by such pharmacy benefit  
47 manager, insurer, or purchaser if such prescription drug is otherwise covered under the  
48 health benefit plan and such drug has been prescribed by a licensed healthcare provider."

49 **SECTION 3.**

50 Article 2 of Chapter 34 of Title 43 of the Official Code of Georgia Annotated, relating to  
51 medical practice, is amended by adding a new Code section to read as follows:

52 "43-34-49.

53 No physician shall be required to obtain preapproval, prior authorization, or precertification  
54 from an insurer with regard to the healthcare of his or her patients."

55 **SECTION 4.**

56 Part 1 of Article 1 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated,  
57 relating to state employees' health insurance plan, is amended by adding a new Code section  
58 to read as follows:

59 "45-18-4.2.

60 (a) As used in this Code section, the term 'health benefit plan' means any individual or  
61 group plan, policy, or contract for healthcare services issued, delivered, issued for delivery,  
62 or renewed in this state which provides major medical benefits by a healthcare corporation,  
63 health maintenance organization, preferred provider organization, accident and sickness  
64 insurer, fraternal benefit society, hospital service corporation, medical service corporation,  
65 or other insurer or similar entity.

66 (b) Notwithstanding any provision of law to the contrary, the health insurance plan  
67 established pursuant to this article shall not condition the payment of any benefit for a  
68 medical test or procedure or for a prescription drug upon any preapproval, prior  
69 authorization, or precertification of any kind if such test, procedure, or prescription drug  
70 is otherwise covered under such plan and is prescribed by a licensed healthcare provider."

71 **SECTION 5.**

72 This Act shall become effective upon its approval by the Governor or upon its becoming law  
73 without such approval and shall apply to all health benefit plans issued, delivered, issued for  
74 delivery, or renewed in this state on or after July 1, 2026.

75 **SECTION 6.**

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