

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. House Bill 1698

PRINTER NO. 3532

AMOUNT

\$300,000

FUND

Various Commonwealth Funds

DATE INTRODUCED

February 9, 2016

PRIME SPONSOR

Representative Heffley

DESCRIPTION AND PURPOSE OF BILL

House Bill 1698 establishes the Abuse-Deterrent Opioid Analgesic Drug Products Coverage Act.

HB 1698 requires health insurance carriers to provide coverage for abuse-deterrent opioids (ADOs) if they provide coverage for opioid analgesic drugs. Insurance carriers must provide coverage for 3 ADOs in a manner that preserves therapeutic choices for prescribers and patients.

The bill defines an ADO as a brand or generic opioid analgesic drug product approved by the United States Food and Drug Administration as an Abuse-Deterrent Opioid with abuse-deterrence labeling claims indicating that its abuse deterrent properties are expected to deter or reduce its abuse.

Prohibits a health insurance carrier from requiring an insured to use a non-ADO before using an ADO.

Nothing in this act shall be construed to prohibit an insurer from applying utilization review requirements, including prior authorization, to abuse-deterrent opioid analgesic drug products if the requirements are applied to all opioid analgesic drug products with the same type of drug release, immediate or extended.

This act shall take effect in 60 days.

FISCAL IMPACT:

House Bill 1698 will increase costs to the Pennsylvania Employees Benefit Trust Fund (PEBTF) by \$300,000. PEBTF estimates that adding a third abuse deterrent to its formulary will increase its costs by \$300,000.