

**As Reported by the House Government Accountability and Oversight
Committee**

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Sub. S. B. No. 265

Senator Dolan

**Cosponsors: Senators Beagle, Brown, Coley, Eklund, Gardner, Hackett, Hoagland,
Hottinger, Huffman, Kunze, Lehner, Manning, Obhof, O'Brien, Schiavoni, Thomas,
Uecker, Wilson, Yuko**

A BILL

To amend sections 173.12, 341.192, 1739.05, 1
1751.01, 3702.30, 3712.06, 3712.061, 3963.01, 2
and 5167.12 and to enact sections 1751.91, 3
3901.83, 3901.831, 3901.832, 3901.833, 3923.89, 4
5164.14, 5164.7512, 5164.7514, and 5167.121 of 5
the Revised Code to permit certain health 6
insurers to provide payment or reimbursement for 7
services lawfully provided by a pharmacist, to 8
adopt requirements related to step therapy 9
protocols, and to recognize pharmacist services 10
in certain other laws. 11

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 173.12, 341.192, 1739.05, 12
1751.01, 3702.30, 3712.06, 3712.061, 3963.01, and 5167.12 be 13
amended and sections 1751.91, 3901.83, 3901.831, 3901.832, 14
3901.833, 3923.89, 5164.14, 5164.7512, 5164.7514, and 5167.121 15
of the Revised Code be enacted to read as follows: 16

Sec. 173.12. The services provided by a multipurpose 17
senior center shall be available to all residents of the area 18
served by the center who are sixty years of age or older, except 19
where legal requirements for the use of funds available for a 20
component program specify other age limits. Persons who receive 21
services from the center may be encouraged to make voluntary 22
contributions to the center, but no otherwise eligible person 23
shall be refused services because of inability to make a 24
contribution. 25

Services provided by the center may include, but are not 26
limited to, the following: 27

(A) Services available within the facility: 28

(1) Preventive medical services, diagnostic and treatment 29
services, emergency health services, and counseling on health 30
matters, which are provided on a regular basis by a licensed 31
physician, pharmacist, or ~~by a~~ registered nurse or other 32
qualified health professional; 33

(2) A program to locate full- or part-time employment 34
opportunities; 35

(3) Information and counseling by professional or other 36
persons specially trained or qualified to enable older adults to 37
make decisions on personal matters, including income, health, 38
housing, transportation, and social relationships; 39

(4) A listing of services available in the community for 40
older adults to assist in identifying the type of assistance 41
needed, to place them in contact with appropriate services, and 42
to determine whether services have been received and identified 43
needs met; 44

(5) Legal advice and assistance by an attorney or a legal 45

assistant acting under the supervision of an attorney;	46
(6) Recreation, social activities, and educational activities.	47 48
(B) Services provided outside the facility:	49
(1) Routine health services necessary to help functionally impaired older adults to maintain an appropriate standard of personal health, provided to them in their homes by licensed physicians, registered nurses, or other qualified health service personnel;	50 51 52 53 54
(2) Household services, such as light housekeeping, laundering, meal preparation, personal and grocery shopping, check cashing and bill paying, friendly visiting, minor household repairs, and yard chores, that are necessary to help functionally impaired older adults meet the normal demands of daily living;	55 56 57 58 59 60
(3) The delivery, on a regular schedule, of hot or cold nourishing meals to functionally impaired older adults and the determination of the nutritional needs of such persons;	61 62 63
(4) Door-to-door vehicular transportation for functionally impaired or other older adults.	64 65
Other services, including social and recreational services, adult education courses, reassurance by telephone, escort services, and housing assistance may be added to the center's program as appropriate, to the extent that resources are available.	66 67 68 69 70
Services may be furnished by public agencies or private persons or organizations, but all services shall be coordinated by a single management unit, operating within the center, that	71 72 73

is established, staffed, and equipped for this purpose. 74

The department of aging, or the local entity approved by 75
the department under section 173.11 of the Revised Code for the 76
operation of a center, may contract for any or all of the 77
services provided by the center with any other state agency, 78
county, township, municipal corporation, school district, 79
community or technical college district, health district, 80
person, or organization. 81

The department shall provide for the necessary insurance 82
coverage to protect all volunteers from the normal risks of 83
personal liability while they are acting within the scope of 84
their volunteer assignments for the provision of services under 85
this section. 86

As used in this section, "functionally impaired older 87
adult" means an individual sixty years of age or older who 88
requires help from others in order to cope with the normal 89
demands of daily living. 90

Sec. 341.192. (A) As used in this section: 91

(1) "Jail" means a county jail, or a multicounty, 92
municipal-county, or multicounty-municipal correctional center. 93

(2) "Medical provider" means a physician, hospital, 94
laboratory, pharmacist, pharmacy, or other health care provider 95
that is not employed by or under contract to a county, municipal 96
corporation, township, the department of youth services, or the 97
department of rehabilitation and correction to provide medical 98
services to persons confined in a jail or state correctional 99
institution, or is in the custody of a law enforcement officer. 100

(3) "Necessary care" means medical care of a nonelective 101
nature that cannot be postponed until after the period of 102

confinement of a person who is confined in a jail or state 103
correctional institution, or is in the custody of a law 104
enforcement officer without endangering the life or health of 105
the person. 106

(B) If a physician employed by or under contract to a 107
county, municipal corporation, township, the department of youth 108
services, or the department of rehabilitation and correction to 109
provide medical services to persons confined in a jail or state 110
correctional institution determines that a person who is 111
confined in the jail or state correctional institution or who is 112
in the custody of a law enforcement officer prior to the 113
person's confinement in a jail or state correctional institution 114
requires necessary care that the physician cannot provide, the 115
necessary care shall be provided by a medical provider. The 116
county, municipal corporation, township, the department of youth 117
services, or the department of rehabilitation and correction 118
shall pay a medical provider for necessary care an amount not 119
exceeding the authorized reimbursement rate for the same service 120
established by the department of medicaid under the medicaid 121
program. 122

Sec. 1739.05. (A) A multiple employer welfare arrangement 123
that is created pursuant to sections 1739.01 to 1739.22 of the 124
Revised Code and that operates a group self-insurance program 125
may be established only if any of the following applies: 126

(1) The arrangement has and maintains a minimum enrollment 127
of three hundred employees of two or more employers. 128

(2) The arrangement has and maintains a minimum enrollment 129
of three hundred self-employed individuals. 130

(3) The arrangement has and maintains a minimum enrollment 131

of three hundred employees or self-employed individuals in any 132
combination of divisions (A) (1) and (2) of this section. 133

(B) A multiple employer welfare arrangement that is 134
created pursuant to sections 1739.01 to 1739.22 of the Revised 135
Code and that operates a group self-insurance program shall 136
comply with all laws applicable to self-funded programs in this 137
state, including sections 3901.04, 3901.041, 3901.19 to 3901.26, 138
3901.38, 3901.381 to 3901.3814, 3901.40, 3901.45, 3901.46, 139
3901.491, 3902.01 to 3902.14, 3923.041, 3923.24, 3923.282, 140
3923.30, 3923.301, 3923.38, 3923.581, 3923.602, 3923.63, 141
3923.80, 3923.84, 3923.85, 3923.851, 3923.89, 3924.031, 142
3924.032, and 3924.27 of the Revised Code. 143

(C) A multiple employer welfare arrangement created 144
pursuant to sections 1739.01 to 1739.22 of the Revised Code 145
shall solicit enrollments only through agents or solicitors 146
licensed pursuant to Chapter 3905. of the Revised Code to sell 147
or solicit sickness and accident insurance. 148

(D) A multiple employer welfare arrangement created 149
pursuant to sections 1739.01 to 1739.22 of the Revised Code 150
shall provide benefits only to individuals who are members, 151
employees of members, or the dependents of members or employees, 152
or are eligible for continuation of coverage under section 153
1751.53 or 3923.38 of the Revised Code or under Title X of the 154
"Consolidated Omnibus Budget Reconciliation Act of 1985," 100 155
Stat. 227, 29 U.S.C.A. 1161, as amended. 156

(E) A multiple employer welfare arrangement created 157
pursuant to sections 1739.01 to 1739.22 of the Revised Code is 158
subject to, and shall comply with, sections 3903.81 to 3903.93 159
of the Revised Code in the same manner as other life or health 160
insurers, as defined in section 3903.81 of the Revised Code. 161

Sec. 1751.01. As used in this chapter:	162
(A) (1) "Basic health care services" means the following services when medically necessary:	163
	164
(a) Physician's services, except when such services are supplemental under division (B) of this section;	165
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(b) Inpatient hospital services;	167
(c) Outpatient medical services;	168
(d) Emergency health services;	169
(e) Urgent care services;	170
(f) Diagnostic laboratory services and diagnostic and therapeutic radiologic services;	171
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(g) Diagnostic and treatment services, other than prescription drug services, for biologically based mental illnesses;	173
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(h) Preventive health care services, including, but not limited to, voluntary family planning services, infertility services, periodic physical examinations, prenatal obstetrical care, and well-child care;	176
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(i) Routine patient care for patients enrolled in an eligible cancer clinical trial pursuant to section 3923.80 of the Revised Code.	180
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"Basic health care services" does not include experimental procedures.	183
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Except as provided by divisions (A) (2) and (3) of this section in connection with the offering of coverage for diagnostic and treatment services for biologically based mental illnesses, a health insuring corporation shall not offer	185
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coverage for a health care service, defined as a basic health 189
care service by this division, unless it offers coverage for all 190
listed basic health care services. However, this requirement 191
does not apply to the coverage of beneficiaries enrolled in 192
medicare pursuant to a medicare contract, or to the coverage of 193
beneficiaries enrolled in the federal employee health benefits 194
program pursuant to 5 U.S.C.A. 8905, or to the coverage of 195
medicaid recipients, or to the coverage of beneficiaries under 196
any federal health care program regulated by a federal 197
regulatory body, or to the coverage of beneficiaries under any 198
contract covering officers or employees of the state that has 199
been entered into by the department of administrative services. 200

(2) A health insuring corporation may offer coverage for 201
diagnostic and treatment services for biologically based mental 202
illnesses without offering coverage for all other basic health 203
care services. A health insuring corporation may offer coverage 204
for diagnostic and treatment services for biologically based 205
mental illnesses alone or in combination with one or more 206
supplemental health care services. However, a health insuring 207
corporation that offers coverage for any other basic health care 208
service shall offer coverage for diagnostic and treatment 209
services for biologically based mental illnesses in combination 210
with the offer of coverage for all other listed basic health 211
care services. 212

(3) A health insuring corporation that offers coverage for 213
basic health care services is not required to offer coverage for 214
diagnostic and treatment services for biologically based mental 215
illnesses in combination with the offer of coverage for all 216
other listed basic health care services if all of the following 217
apply: 218

(a) The health insuring corporation submits documentation 219
certified by an independent member of the American academy of 220
actuaries to the superintendent of insurance showing that 221
incurred claims for diagnostic and treatment services for 222
biologically based mental illnesses for a period of at least six 223
months independently caused the health insuring corporation's 224
costs for claims and administrative expenses for the coverage of 225
basic health care services to increase by more than one per cent 226
per year. 227

(b) The health insuring corporation submits a signed 228
letter from an independent member of the American academy of 229
actuaries to the superintendent of insurance opining that the 230
increase in costs described in division (A) (3) (a) of this 231
section could reasonably justify an increase of more than one 232
per cent in the annual premiums or rates charged by the health 233
insuring corporation for the coverage of basic health care 234
services. 235

(c) The superintendent of insurance makes the following 236
determinations from the documentation and opinion submitted 237
pursuant to divisions (A) (3) (a) and (b) of this section: 238

(i) Incurred claims for diagnostic and treatment services 239
for biologically based mental illnesses for a period of at least 240
six months independently caused the health insuring 241
corporation's costs for claims and administrative expenses for 242
the coverage of basic health care services to increase by more 243
than one per cent per year. 244

(ii) The increase in costs reasonably justifies an 245
increase of more than one per cent in the annual premiums or 246
rates charged by the health insuring corporation for the 247
coverage of basic health care services. 248

Any determination made by the superintendent under this	249
division is subject to Chapter 119. of the Revised Code.	250
(B) (1) "Supplemental health care services" means any	251
health care services other than basic health care services that	252
a health insuring corporation may offer, alone or in combination	253
with either basic health care services or other supplemental	254
health care services, and includes:	255
(a) Services of facilities for intermediate or long-term	256
care, or both;	257
(b) Dental care services;	258
(c) Vision care and optometric services including lenses	259
and frames;	260
(d) Podiatric care or foot care services;	261
(e) Mental health services, excluding diagnostic and	262
treatment services for biologically based mental illnesses;	263
(f) Short-term outpatient evaluative and crisis-	264
intervention mental health services;	265
(g) Medical or psychological treatment and referral	266
services for alcohol and drug abuse or addiction;	267
(h) Home health services;	268
(i) Prescription drug services;	269
(j) Nursing services;	270
(k) Services of a dietitian licensed under Chapter 4759.	271
of the Revised Code;	272
(l) Physical therapy services;	273
(m) Chiropractic services;	274

(n) Any other category of services approved by the superintendent of insurance.	275 276
(2) If a health insuring corporation offers prescription drug services under this division, the coverage shall include prescription drug services for the treatment of biologically based mental illnesses on the same terms and conditions as other physical diseases and disorders.	277 278 279 280 281
(C) "Specialty health care services" means one of the supplemental health care services listed in division (B) of this section, when provided by a health insuring corporation on an outpatient-only basis and not in combination with other supplemental health care services.	282 283 284 285 286
(D) "Biologically based mental illnesses" means schizophrenia, schizoaffective disorder, major depressive disorder, bipolar disorder, paranoia and other psychotic disorders, obsessive-compulsive disorder, and panic disorder, as these terms are defined in the most recent edition of the diagnostic and statistical manual of mental disorders published by the American psychiatric association.	287 288 289 290 291 292 293
(E) "Closed panel plan" means a health care plan that requires enrollees to use participating providers.	294 295
(F) "Compensation" means remuneration for the provision of health care services, determined on other than a fee-for-service or discounted-fee-for-service basis.	296 297 298
(G) "Contractual periodic prepayment" means the formula for determining the premium rate for all subscribers of a health insuring corporation.	299 300 301
(H) "Corporation" means a corporation formed under Chapter 1701. or 1702. of the Revised Code or the similar laws of	302 303

another state. 304

(I) "Emergency health services" means those health care 305
services that must be available on a seven-days-per-week, 306
twenty-four-hours-per-day basis in order to prevent jeopardy to 307
an enrollee's health status that would occur if such services 308
were not received as soon as possible, and includes, where 309
appropriate, provisions for transportation and indemnity 310
payments or service agreements for out-of-area coverage. 311

(J) "Enrollee" means any natural person who is entitled to 312
receive health care benefits provided by a health insuring 313
corporation. 314

(K) "Evidence of coverage" means any certificate, 315
agreement, policy, or contract issued to a subscriber that sets 316
out the coverage and other rights to which such person is 317
entitled under a health care plan. 318

(L) "Health care facility" means any facility, except a 319
health care practitioner's office, that provides preventive, 320
diagnostic, therapeutic, acute convalescent, rehabilitation, 321
mental health, intellectual disability, intermediate care, or 322
skilled nursing services. 323

(M) "Health care services" means basic, supplemental, and 324
specialty health care services. 325

(N) "Health delivery network" means any group of providers 326
or health care facilities, or both, or any representative 327
thereof, that have entered into an agreement to offer health 328
care services in a panel rather than on an individual basis. 329

(O) "Health insuring corporation" means a corporation, as 330
defined in division (H) of this section, that, pursuant to a 331
policy, contract, certificate, or agreement, pays for, 332

reimburses, or provides, delivers, arranges for, or otherwise 333
makes available, basic health care services, supplemental health 334
care services, or specialty health care services, or a 335
combination of basic health care services and either 336
supplemental health care services or specialty health care 337
services, through either an open panel plan or a closed panel 338
plan. 339

"Health insuring corporation" does not include a limited 340
liability company formed pursuant to Chapter 1705. of the 341
Revised Code, an insurer licensed under Title XXXIX of the 342
Revised Code if that insurer offers only open panel plans under 343
which all providers and health care facilities participating 344
receive their compensation directly from the insurer, a 345
corporation formed by or on behalf of a political subdivision or 346
a department, office, or institution of the state, or a public 347
entity formed by or on behalf of a board of county 348
commissioners, a county board of developmental disabilities, an 349
alcohol and drug addiction services board, a board of alcohol, 350
drug addiction, and mental health services, or a community 351
mental health board, as those terms are used in Chapters 340. 352
and 5126. of the Revised Code. Except as provided by division 353
(D) of section 1751.02 of the Revised Code, or as otherwise 354
provided by law, no board, commission, agency, or other entity 355
under the control of a political subdivision may accept 356
insurance risk in providing for health care services. However, 357
nothing in this division shall be construed as prohibiting such 358
entities from purchasing the services of a health insuring 359
corporation or a third-party administrator licensed under 360
Chapter 3959. of the Revised Code. 361

(P) "Intermediary organization" means a health delivery 362
network or other entity that contracts with licensed health 363

insuring corporations or self-insured employers, or both, to 364
provide health care services, and that enters into contractual 365
arrangements with other entities for the provision of health 366
care services for the purpose of fulfilling the terms of its 367
contracts with the health insuring corporations and self-insured 368
employers. 369

(Q) "Intermediate care" means residential care above the 370
level of room and board for patients who require personal 371
assistance and health-related services, but who do not require 372
skilled nursing care. 373

(R) "Medical record" means the personal information that 374
relates to an individual's physical or mental condition, medical 375
history, or medical treatment. 376

(S) (1) "Open panel plan" means a health care plan that 377
provides incentives for enrollees to use participating providers 378
and that also allows enrollees to use providers that are not 379
participating providers. 380

(2) No health insuring corporation may offer an open panel 381
plan, unless the health insuring corporation is also licensed as 382
an insurer under Title XXXIX of the Revised Code, the health 383
insuring corporation, on June 4, 1997, holds a certificate of 384
authority or license to operate under Chapter 1736. or 1740. of 385
the Revised Code, or an insurer licensed under Title XXXIX of 386
the Revised Code is responsible for the out-of-network risk as 387
evidenced by both an evidence of coverage filing under section 388
1751.11 of the Revised Code and a policy and certificate filing 389
under section 3923.02 of the Revised Code. 390

(T) "Osteopathic hospital" means a hospital registered 391
under section 3701.07 of the Revised Code that advocates 392

osteopathic principles and the practice and perpetuation of	393
osteopathic medicine by doing any of the following:	394
(1) Maintaining a department or service of osteopathic	395
medicine or a committee on the utilization of osteopathic	396
principles and methods, under the supervision of an osteopathic	397
physician;	398
(2) Maintaining an active medical staff, the majority of	399
which is comprised of osteopathic physicians;	400
(3) Maintaining a medical staff executive committee that	401
has osteopathic physicians as a majority of its members.	402
(U) "Panel" means a group of providers or health care	403
facilities that have joined together to deliver health care	404
services through a contractual arrangement with a health	405
insuring corporation, employer group, or other payor.	406
(V) "Person" has the same meaning as in section 1.59 of	407
the Revised Code, and, unless the context otherwise requires,	408
includes any insurance company holding a certificate of	409
authority under Title XXXIX of the Revised Code, any subsidiary	410
and affiliate of an insurance company, and any government	411
agency.	412
(W) "Premium rate" means any set fee regularly paid by a	413
subscriber to a health insuring corporation. A "premium rate"	414
does not include a one-time membership fee, an annual	415
administrative fee, or a nominal access fee, paid to a managed	416
health care system under which the recipient of health care	417
services remains solely responsible for any charges assessed for	418
those services by the provider or health care facility.	419
(X) "Primary care provider" means a provider that is	420
designated by a health insuring corporation to supervise,	421

coordinate, or provide initial care or continuing care to an 422
enrollee, and that may be required by the health insuring 423
corporation to initiate a referral for specialty care and to 424
maintain supervision of the health care services rendered to the 425
enrollee. 426

(Y) "Provider" means any natural person or partnership of 427
natural persons who are licensed, certified, accredited, or 428
otherwise authorized in this state to furnish health care 429
services, or any professional association organized under 430
Chapter 1785. of the Revised Code, provided that nothing in this 431
chapter or other provisions of law shall be construed to 432
preclude a health insuring corporation, health care 433
practitioner, or organized health care group associated with a 434
health insuring corporation from employing certified nurse 435
practitioners, certified nurse anesthetists, clinical nurse 436
specialists, certified nurse-midwives, pharmacists, dietitians, 437
physician assistants, dental assistants, dental hygienists, 438
optometric technicians, or other allied health personnel who are 439
licensed, certified, accredited, or otherwise authorized in this 440
state to furnish health care services. 441

(Z) "Provider sponsored organization" means a corporation, 442
as defined in division (H) of this section, that is at least 443
eighty per cent owned or controlled by one or more hospitals, as 444
defined in section 3727.01 of the Revised Code, or one or more 445
physicians licensed to practice medicine or surgery or 446
osteopathic medicine and surgery under Chapter 4731. of the 447
Revised Code, or any combination of such physicians and 448
hospitals. Such control is presumed to exist if at least eighty 449
per cent of the voting rights or governance rights of a provider 450
sponsored organization are directly or indirectly owned, 451
controlled, or otherwise held by any combination of the 452

physicians and hospitals described in this division. 453

(AA) "Solicitation document" means the written materials 454
provided to prospective subscribers or enrollees, or both, and 455
used for advertising and marketing to induce enrollment in the 456
health care plans of a health insuring corporation. 457

(BB) "Subscriber" means a person who is responsible for 458
making payments to a health insuring corporation for 459
participation in a health care plan, or an enrollee whose 460
employment or other status is the basis of eligibility for 461
enrollment in a health insuring corporation. 462

(CC) "Urgent care services" means those health care 463
services that are appropriately provided for an unforeseen 464
condition of a kind that usually requires medical attention 465
without delay but that does not pose a threat to the life, limb, 466
or permanent health of the injured or ill person, and may 467
include such health care services provided out of the health 468
insuring corporation's approved service area pursuant to 469
indemnity payments or service agreements. 470

Sec. 1751.91. A health insuring corporation may provide 471
payment or reimbursement to a pharmacist for providing a health 472
care service to a patient if both of the following are the case: 473

(A) The pharmacist provided the health care service to the 474
patient in accordance with Chapter 4729. of the Revised Code, 475
including any of the following services: 476

(1) Managing drug therapy under a consult agreement with a 477
physician pursuant to section 4729.39 of the Revised Code; 478

(2) Administering immunizations in accordance with section 479
4729.41 of the Revised Code; 480

(3) Administering drugs in accordance with section 4729.45 481
of the Revised Code. 482

(B) The patient's individual or group health insuring 483
corporation policy, contract, or agreement provides for payment 484
or reimbursement of the service. 485

Sec. 3702.30. (A) As used in this section: 486

(1) "Ambulatory surgical facility" means a facility, 487
whether or not part of the same organization as a hospital, that 488
is located in a building distinct from another in which 489
inpatient care is provided, and to which any of the following 490
apply: 491

(a) Outpatient surgery is routinely performed in the 492
facility, and the facility functions separately from a 493
hospital's inpatient surgical service and from the offices of 494
private physicians, podiatrists, and dentists. 495

(b) Anesthesia is administered in the facility by an 496
anesthesiologist or certified registered nurse anesthetist, and 497
the facility functions separately from a hospital's inpatient 498
surgical service and from the offices of private physicians, 499
podiatrists, and dentists. 500

(c) The facility applies to be certified by the United 501
States centers for medicare and medicaid services as an 502
ambulatory surgical center for purposes of reimbursement under 503
Part B of the medicare program, Part B of Title XVIII of the 504
"Social Security Act," 79 Stat. 286 (1965), 42 U.S.C.A. 1395, as 505
amended. 506

(d) The facility applies to be certified by a national 507
accrediting body approved by the centers for medicare and 508
medicaid services for purposes of deemed compliance with the 509

conditions for participating in the medicare program as an 510
ambulatory surgical center. 511

(e) The facility bills or receives from any third-party 512
payer, governmental health care program, or other person or 513
government entity any ambulatory surgical facility fee that is 514
billed or paid in addition to any fee for professional services. 515

(f) The facility is held out to any person or government 516
entity as an ambulatory surgical facility or similar facility by 517
means of signage, advertising, or other promotional efforts. 518

"Ambulatory surgical facility" does not include a hospital 519
emergency department. 520

(2) "Ambulatory surgical facility fee" means a fee for 521
certain overhead costs associated with providing surgical 522
services in an outpatient setting. A fee is an ambulatory 523
surgical facility fee only if it directly or indirectly pays for 524
costs associated with any of the following: 525

(a) Use of operating and recovery rooms, preparation 526
areas, and waiting rooms and lounges for patients and relatives; 527

(b) Administrative functions, record keeping, 528
housekeeping, utilities, and rent; 529

(c) Services provided by nurses, pharmacists, orderlies, 530
technical personnel, and others involved in patient care related 531
to providing surgery. 532

"Ambulatory surgical facility fee" does not include any 533
additional payment in excess of a professional fee that is 534
provided to encourage physicians, podiatrists, and dentists to 535
perform certain surgical procedures in their office or their 536
group practice's office rather than a health care facility, if 537

the purpose of the additional fee is to compensate for 538
additional cost incurred in performing office-based surgery. 539

(3) "Governmental health care program" has the same 540
meaning as in section 4731.65 of the Revised Code. 541

(4) "Health care facility" means any of the following: 542

(a) An ambulatory surgical facility; 543

(b) A freestanding dialysis center; 544

(c) A freestanding inpatient rehabilitation facility; 545

(d) A freestanding birthing center; 546

(e) A freestanding radiation therapy center; 547

(f) A freestanding or mobile diagnostic imaging center. 548

(5) "Third-party payer" has the same meaning as in section 549
3901.38 of the Revised Code. 550

(B) By rule adopted in accordance with sections 3702.12 551
and 3702.13 of the Revised Code, the director of health shall 552
establish quality standards for health care facilities. The 553
standards may incorporate accreditation standards or other 554
quality standards established by any entity recognized by the 555
director. 556

In the case of an ambulatory surgical facility, the 557
standards shall require the ambulatory surgical facility to 558
maintain an infection control program. The purposes of the 559
program are to minimize infections and communicable diseases and 560
facilitate a functional and sanitary environment consistent with 561
standards of professional practice. To achieve these purposes, 562
ambulatory surgical facility staff managing the program shall 563
create and administer a plan designed to prevent, identify, and 564

manage infections and communicable diseases; ensure that the 565
program is directed by a qualified professional trained in 566
infection control; ensure that the program is an integral part 567
of the ambulatory surgical facility's quality assessment and 568
performance improvement program; and implement in an expeditious 569
manner corrective and preventive measures that result in 570
improvement. 571

(C) Every ambulatory surgical facility shall require that 572
each physician who practices at the facility comply with all 573
relevant provisions in the Revised Code that relate to the 574
obtaining of informed consent from a patient. 575

(D) The director shall issue a license to each health care 576
facility that makes application for a license and demonstrates 577
to the director that it meets the quality standards established 578
by the rules adopted under division (B) of this section and 579
satisfies the informed consent compliance requirements specified 580
in division (C) of this section. 581

(E) (1) Except as provided in division (H) of this section 582
and in section 3702.301 of the Revised Code, no health care 583
facility shall operate without a license issued under this 584
section. 585

(2) If the department of health finds that a physician who 586
practices at a health care facility is not complying with any 587
provision of the Revised Code related to the obtaining of 588
informed consent from a patient, the department shall report its 589
finding to the state medical board, the physician, and the 590
health care facility. 591

(3) This division does not create, and shall not be 592
construed as creating, a new cause of action or substantive 593

legal right against a health care facility and in favor of a 594
patient who allegedly sustains harm as a result of the failure 595
of the patient's physician to obtain informed consent from the 596
patient prior to performing a procedure on or otherwise caring 597
for the patient in the health care facility. 598

(F) The rules adopted under division (B) of this section 599
shall include all of the following: 600

(1) Provisions governing application for, renewal, 601
suspension, and revocation of a license under this section; 602

(2) Provisions governing orders issued pursuant to section 603
3702.32 of the Revised Code for a health care facility to cease 604
its operations or to prohibit certain types of services provided 605
by a health care facility; 606

(3) Provisions governing the imposition under section 607
3702.32 of the Revised Code of civil penalties for violations of 608
this section or the rules adopted under this section, including 609
a scale for determining the amount of the penalties; 610

(4) Provisions specifying the form inspectors must use 611
when conducting inspections of ambulatory surgical facilities. 612

(G) An ambulatory surgical facility that performs or 613
induces abortions shall comply with section 3701.791 of the 614
Revised Code. 615

(H) The following entities are not required to obtain a 616
license as a freestanding diagnostic imaging center issued under 617
this section: 618

(1) A hospital registered under section 3701.07 of the 619
Revised Code that provides diagnostic imaging; 620

(2) An entity that is reviewed as part of a hospital 621

accreditation or certification program and that provides 622
diagnostic imaging; 623

(3) An ambulatory surgical facility that provides 624
diagnostic imaging in conjunction with or during any portion of 625
a surgical procedure. 626

Sec. 3712.06. Any person or public agency licensed under 627
section 3712.04 of the Revised Code to provide a hospice care 628
program shall: 629

(A) Provide a planned and continuous hospice care program, 630
the medical components of which shall be under the direction of 631
a physician; 632

(B) Ensure that care is available twenty-four hours a day 633
and seven days a week; 634

(C) Establish an interdisciplinary plan of care for each 635
hospice patient and ~~his~~ the patient's family that: 636

(1) Is coordinated by one designated individual who shall 637
ensure that all components of the plan of care are addressed and 638
implemented; 639

(2) Addresses maintenance of patient-family participation 640
in decision making; and 641

(3) Is periodically reviewed by the patient's attending 642
physician and by the patient's interdisciplinary team. 643

(D) Have an interdisciplinary team or teams that provide 644
or supervise the provision of care and establish the policies 645
governing the provision of the care; 646

(E) Provide bereavement counseling for hospice patients' 647
families; 648

(F) Not discontinue care because of a hospice patient's 649
inability to pay for the care; 650

(G) Maintain central clinical records on all hospice 651
patients under its care; and 652

(H) Provide care in individuals' homes, on an outpatient 653
basis, and on a short-term inpatient basis. 654

A provider of a hospice care program may include 655
pharmacist services among the other services that are made 656
available to its hospice patients. 657

A provider of a hospice care program may arrange for 658
another person or public agency to furnish a component or 659
components of the hospice care program pursuant to a written 660
contract. When a provider of a hospice care program arranges for 661
a hospital, a home providing nursing care, or home health agency 662
to furnish a component or components of the hospice care program 663
to its patient, the care shall be provided by a licensed, 664
certified, or accredited hospital, home providing nursing care, 665
or home health agency pursuant to a written contract under 666
which: 667

(1) The provider of a hospice care program furnishes to 668
the contractor a copy of the hospice patient's interdisciplinary 669
plan of care that is established under division (C) of this 670
section and specifies the care that is to be furnished by the 671
contractor; 672

(2) The regimen described in the established plan of care 673
is continued while the hospice patient receives care from the 674
contractor, subject to the patient's needs, and with approval of 675
the coordinator of the interdisciplinary team designated 676
pursuant to division (C)(1) of this section; 677

(3) All care, treatment, and services furnished by the contractor are entered into the hospice patient's medical record;

(4) The designated coordinator of the interdisciplinary team ensures conformance with the established plan of care; and

(5) A copy of the contractor's medical record and discharge summary is retained as part of the hospice patient's medical record.

Any hospital contracting for inpatient care shall be encouraged to offer temporary limited privileges to the hospice patient's attending physician while the hospice patient is receiving inpatient care from the hospital.

Sec. 3712.061. (A) Any person or public agency licensed under section 3712.041 of the Revised Code to provide a pediatric respite care program shall do all of the following:

(1) Provide a planned and continuous pediatric respite care program, the medical components of which shall be under the direction of a physician;

(2) Ensure that care is available twenty-four hours a day and seven days a week;

(3) Establish an interdisciplinary plan of care for each pediatric respite care patient and the patient's family that:

(a) Is coordinated by one designated individual who shall ensure that all components of the plan of care are addressed and implemented;

(b) Addresses maintenance of patient-family participation in decision making; and

(c) Is reviewed by the patient's attending physician and 705
by the patient's interdisciplinary team immediately prior to or 706
on admission to each session of respite care. 707

(4) Have an interdisciplinary team or teams that provide 708
or supervise the provision of pediatric respite care program 709
services and establish the policies governing the provision of 710
the services; 711

(5) Maintain central clinical records on all pediatric 712
respite care patients under its care. 713

(B) A provider of a pediatric respite care program may 714
include pharmacist services among the other services that are 715
made available to its pediatric respite care patients. 716

(C) A provider of a pediatric respite care program may 717
arrange for another person or public agency to furnish a 718
component or components of the pediatric respite care program 719
pursuant to a written contract. When a provider of a pediatric 720
respite care program arranges for a home health agency to 721
furnish a component or components of the pediatric respite care 722
program to its patient, the care shall be provided by a home 723
health agency pursuant to a written contract under which: 724

(1) The provider of a pediatric respite care program 725
furnishes to the contractor a copy of the pediatric respite care 726
patient's interdisciplinary plan of care that is established 727
under division (A) (3) of this section and specifies the care 728
that is to be furnished by the contractor; 729

(2) The regimen described in the established plan of care 730
is continued while the pediatric respite care patient receives 731
care from the contractor, subject to the patient's needs, and 732
with approval of the coordinator of the interdisciplinary team 733

designated pursuant to division (A) (3) (a) of this section;	734
(3) All care, treatment, and services furnished by the contractor are entered into the pediatric respite care patient's medical record;	735 736 737
(4) The designated coordinator of the interdisciplinary team ensures conformance with the established plan of care; and	738 739
(5) A copy of the contractor's medical record and discharge summary is retained as part of the pediatric respite care patient's medical record.	740 741 742
<u>Sec. 3901.83. As used in sections 3901.83 to 3901.833 of the Revised Code:</u>	743 744
<u>(A) "Clinical practice guidelines" means a systematically developed statement to assist health care provider and patient decisions with regard to appropriate health care for specific clinical circumstances and conditions.</u>	745 746 747 748
<u>(B) "Clinical review criteria" means the written screening procedures, decision abstracts, clinical protocols, and clinical practice guidelines used by a health plan issuer or utilization review organization to determine whether or not health care services or drugs are appropriate and consistent with medical or scientific evidence.</u>	749 750 751 752 753 754
<u>(C) "Health benefit plan" and "health plan issuer" have the same meanings as in section 3922.01 of the Revised Code.</u>	755 756
<u>(D) "Medical or scientific evidence" has the same meaning as in section 3922.01 of the Revised Code.</u>	757 758
<u>(E) "Step therapy exemption" means an overriding of a step therapy protocol in favor of immediate coverage of the health care provider's selected prescription drug.</u>	759 760 761

(F) "Step therapy protocol" means a protocol or program 762
that establishes a specific sequence in which prescription drugs 763
that are for a specified medical condition and that are 764
consistent with medical or scientific evidence for a particular 765
patient are covered, under either a medical or prescription drug 766
benefit, by a health benefit plan, including both self- 767
administered and physician-administered drugs. 768

(G) "Urgent care services" has the same meaning as in 769
section 3923.041 of the Revised Code. 770

(H) "Utilization review organization" has the same meaning 771
as in section 1751.77 of the Revised Code. 772

Sec. 3901.831. (A) If a health plan issuer or a 773
utilization review organization implements a step therapy 774
protocol, that protocol shall be implemented via clinical review 775
criteria that are based on clinical practice guidelines or 776
medical or scientific evidence. 777

(B) When establishing a step therapy protocol, a health 778
plan issuer and a utilization review organization shall also 779
take into account the needs of atypical patient populations and 780
diagnoses when establishing clinical review criteria. 781

(C) This section shall not be construed as requiring 782
either a health plan issuer or the state to set up a new entity 783
to develop clinical review criteria for step therapy protocols. 784

Sec. 3901.832. (A) (1) (a) When coverage of a prescription 785
drug for the treatment of any medical condition is restricted 786
for use by a health plan issuer or utilization review 787
organization through the use of a step therapy protocol, the 788
health plan issuer or utilization review organization shall 789
provide the prescribing health care provider access to a clear, 790

easily accessible, and convenient process to request a step 791
therapy exemption on behalf of a covered individual. A health 792
plan issuer or utilization review organization may use its 793
existing medical exceptions process to satisfy this requirement. 794

(b) A step therapy exemption request shall include 795
supporting documentation and rationale. 796

(2) (a) A health plan issuer shall make available, to all 797
health care providers, a list of all drugs covered by the issuer 798
that are subject to a step therapy protocol. If the health plan 799
issuer offers more than one health benefit plan, and the covered 800
drugs subject to a step therapy protocol vary from one plan to 801
another, then the health plan issuer shall issue a separate list 802
for each plan. 803

(b) Along with the information required under division (A) 804
(2) (a) of this section, a health plan issuer shall indicate what 805
information or documentation must be provided to the issuer or 806
organization for a step therapy exemption request to be 807
considered complete. Such information shall be provided for each 808
drug, if the requirements vary according to the drug, plan, or 809
protocol in question. 810

(3) (a) The list required under division (A) (2) (a) of this 811
section, along with the required information or documentation 812
described in division (A) (2) (b) of this section, shall be made 813
available on the issuer's web site or provider portal. 814

(b) A utilization review organization shall, for each 815
health benefit plan it oversees that implements a step therapy 816
protocol, similarly make the list and information required under 817
divisions (A) (2) (a) and (b) of this section available on its web 818
site or provider portal. 819

(4) From the time a step therapy exemption request is 820
received by a health plan issuer or utilization review 821
organization, the issuer or organization shall either grant or 822
deny the request within the following time frames: 823

(a) Forty-eight hours for a request related to urgent care 824
services; 825

(b) Ten calendar days for all other requests. 826

(5) (a) A provider may, on behalf of the covered 827
individual, appeal any exemption request that is denied. 828

(b) From the time an appeal is received by a health plan 829
issuer or utilization review organization, the issuer or 830
organization shall either grant or deny the appeal within the 831
following time frames: 832

(i) Forty-eight hours for appeals related to urgent care 833
services; 834

(ii) Ten calendar days for all other appeals. 835

(c) The appeal shall be between the health care provider 836
requesting the service in question and a clinical peer, as 837
defined in section 3923.041 of the Revised Code. 838

(d) (i) The appeal shall be considered an internal appeal 839
for purposes of section 3922.03 of the Revised Code. 840

(ii) A health plan issuer shall not impose a step therapy 841
exemption appeal as an additional level of appeal beyond what is 842
required under section 3922.03 of the Revised Code, unless 843
otherwise permitted by law. 844

(e) (i) If the appeal does not resolve the disagreement, 845
the covered individual, or the covered individual's authorized 846

representative, may request an external review under Chapter 847
3922. of the Revised Code to the extent Chapter 3922. of the 848
Revised Code is applicable. 849

(ii) As used in division (A) (5) (e) of this section, 850
"authorized representative" has the same meaning as in section 851
3922.01 of the Revised Code. 852

(6) If a health plan issuer or utilization review 853
organization does not either grant or deny an exemption request 854
or an appeal within the time frames prescribed in division (A) 855
(4) or (5) of this section, then such an exemption request or 856
appeal shall be deemed to be granted. 857

(B) Pursuant to a step therapy exemption request initiated 858
under division (A) (1) of this section or an appeal made under 859
division (A) (5) of this section, a health plan issuer or 860
utilization review organization shall grant a step therapy 861
exemption if any of the following are met: 862

(1) The required prescription drug is contraindicated for 863
that specific patient, pursuant to the drug's United States food 864
and drug administration prescribing information. 865

(2) The patient has tried the required prescription drug 866
while under their current, or a previous, health benefit plan, 867
or another United States food and drug administration approved 868
AB-rated prescription drug, and such prescription drug was 869
discontinued due to lack of efficacy or effectiveness, 870
diminished effect, or an adverse event. 871

(3) The patient is stable on a prescription drug selected 872
by the patient's health care provider for the medical condition 873
under consideration, regardless of whether or not the drug was 874
prescribed when the patient was covered under the current or a 875

previous health benefit plan, or has already gone through a step 876
therapy protocol. However, a health benefit plan may require a 877
stable patient to try a pharmaceutical alternative, per the 878
federal food and drug administration's orange book, purple book, 879
or their successors, prior to providing coverage for the 880
prescribed drug. 881

(C) Upon the granting of a step therapy exemption, the 882
health plan issuer or utilization review organization shall 883
authorize coverage for the prescription drug prescribed by the 884
patient's treating health care provider. 885

(D) This section shall not be construed to prevent either 886
of the following: 887

(1) A health plan issuer or utilization review 888
organization from requiring a patient to try any new or existing 889
pharmaceutical alternative, per the federal food and drug 890
administration's orange book, purple book, or their successors, 891
prior to providing or renewing coverage for the prescribed drug; 892

(2) A health care provider from prescribing a prescription 893
drug, consistent with medical or scientific evidence. 894

(E) Committing a series of violations of this section 895
that, taken together, constitute a practice or pattern shall be 896
considered an unfair and deceptive practice under sections 897
3901.19 to 3901.26 of the Revised Code. 898

Sec. 3901.833. The superintendent of insurance may adopt 899
rules as necessary to enforce sections 3901.83 to 3901.833 of 900
the Revised Code. 901

Sec. 3923.89. A sickness and accident insurer or public 902
employee benefit plan may provide payment or reimbursement to a 903
pharmacist for providing a health care service to a patient if 904

<u>both of the following are the case:</u>	905
<u>(A) The pharmacist provided the health care service to the patient in accordance with Chapter 4729. of the Revised Code, including any of the following services:</u>	906
<u>(1) Managing drug therapy under a consult agreement with a physician pursuant to section 4729.39 of the Revised Code;</u>	907
<u>(2) Administering immunizations in accordance with section 4729.41 of the Revised Code;</u>	908
<u>(3) Administering drugs in accordance with section 4729.45 of the Revised Code.</u>	909
<u>(B) The patient's individual or group policy of sickness and accident insurance or public employee benefit plan provides for payment or reimbursement of the service.</u>	910
Sec. 3963.01. As used in this chapter:	911
(A) "Affiliate" means any person or entity that has ownership or control of a contracting entity, is owned or controlled by a contracting entity, or is under common ownership or control with a contracting entity.	912
(B) "Basic health care services" has the same meaning as in division (A) of section 1751.01 of the Revised Code, except that it does not include any services listed in that division that are provided by a pharmacist or nursing home.	913
(C) "Contracting entity" means any person that has a primary business purpose of contracting with participating providers for the delivery of health care services.	914
(D) "Credentialing" means the process of assessing and validating the qualifications of a provider applying to be	915
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approved by a contracting entity to provide basic health care 932
services, specialty health care services, or supplemental health 933
care services to enrollees. 934

(E) "Edit" means adjusting one or more procedure codes 935
billed by a participating provider on a claim for payment or a 936
practice that results in any of the following: 937

(1) Payment for some, but not all of the procedure codes 938
originally billed by a participating provider; 939

(2) Payment for a different procedure code than the 940
procedure code originally billed by a participating provider; 941

(3) A reduced payment as a result of services provided to 942
an enrollee that are claimed under more than one procedure code 943
on the same service date. 944

(F) "Electronic claims transport" means to accept and 945
digitize claims or to accept claims already digitized, to place 946
those claims into a format that complies with the electronic 947
transaction standards issued by the United States department of 948
health and human services pursuant to the "Health Insurance 949
Portability and Accountability Act of 1996," 110 Stat. 1955, 42 950
U.S.C. 1320d, et seq., as those electronic standards are 951
applicable to the parties and as those electronic standards are 952
updated from time to time, and to electronically transmit those 953
claims to the appropriate contracting entity, payer, or third- 954
party administrator. 955

(G) "Enrollee" means any person eligible for health care 956
benefits under a health benefit plan, including an eligible 957
recipient of medicaid, and includes all of the following terms: 958

(1) "Enrollee" and "subscriber" as defined by section 959
1751.01 of the Revised Code; 960

(2) "Member" as defined by section 1739.01 of the Revised Code;	961 962
(3) "Insured" and "plan member" pursuant to Chapter 3923. of the Revised Code;	963 964
(4) "Beneficiary" as defined by section 3901.38 of the Revised Code.	965 966
(H) "Health care contract" means a contract entered into, materially amended, or renewed between a contracting entity and a participating provider for the delivery of basic health care services, specialty health care services, or supplemental health care services to enrollees.	967 968 969 970 971
(I) "Health care services" means basic health care services, specialty health care services, and supplemental health care services.	972 973 974
(J) "Material amendment" means an amendment to a health care contract that decreases the participating provider's payment or compensation, changes the administrative procedures in a way that may reasonably be expected to significantly increase the provider's administrative expenses, or adds a new product. A material amendment does not include any of the following:	975 976 977 978 979 980 981
(1) A decrease in payment or compensation resulting solely from a change in a published fee schedule upon which the payment or compensation is based and the date of applicability is clearly identified in the contract;	982 983 984 985
(2) A decrease in payment or compensation that was anticipated under the terms of the contract, if the amount and date of applicability of the decrease is clearly identified in the contract;	986 987 988 989

(3) An administrative change that may significantly increase the provider's administrative expense, the specific applicability of which is clearly identified in the contract;	990 991 992
(4) Changes to an existing prior authorization, precertification, notification, or referral program that do not substantially increase the provider's administrative expense;	993 994 995
(5) Changes to an edit program or to specific edits if the participating provider is provided notice of the changes pursuant to division (A) (1) of section 3963.04 of the Revised Code and the notice includes information sufficient for the provider to determine the effect of the change;	996 997 998 999 1000
(6) Changes to a health care contract described in division (B) of section 3963.04 of the Revised Code.	1001 1002
(K) "Participating provider" means a provider that has a health care contract with a contracting entity and is entitled to reimbursement for health care services rendered to an enrollee under the health care contract.	1003 1004 1005 1006
(L) "Payer" means any person that assumes the financial risk for the payment of claims under a health care contract or the reimbursement for health care services provided to enrollees by participating providers pursuant to a health care contract.	1007 1008 1009 1010
(M) "Primary enrollee" means a person who is responsible for making payments for participation in a health care plan or an enrollee whose employment or other status is the basis of eligibility for enrollment in a health care plan.	1011 1012 1013 1014
(N) "Procedure codes" includes the American medical association's current procedural terminology code, the American dental association's current dental terminology, and the centers for medicare and medicaid services health care common procedure	1015 1016 1017 1018

coding system.	1019
(O) "Product" means one of the following types of	1020
categories of coverage for which a participating provider may be	1021
obligated to provide health care services pursuant to a health	1022
care contract:	1023
(1) A health maintenance organization or other product	1024
provided by a health insuring corporation;	1025
(2) A preferred provider organization;	1026
(3) Medicare;	1027
(4) Medicaid;	1028
(5) Workers' compensation.	1029
(P) "Provider" means a physician, podiatrist, <u>pharmacist,</u>	1030
dentist, chiropractor, optometrist, psychologist, physician	1031
assistant, advanced practice registered nurse, occupational	1032
therapist, massage therapist, physical therapist, licensed	1033
professional counselor, licensed professional clinical	1034
counselor, hearing aid dealer, orthotist, prosthetist, home	1035
health agency, hospice care program, pediatric respite care	1036
program, or hospital, or a provider organization or physician-	1037
hospital organization that is acting exclusively as an	1038
administrator on behalf of a provider to facilitate the	1039
provider's participation in health care contracts. "Provider"	1040
<u>"Provider"</u> does not mean a pharmacist, pharmacy, either of	1041
<u>the following:</u>	1042
<u>(1) A nursing home, or a</u> ;	1043
<u>(2) A provider organization or physician-hospital</u>	1044
organization that leases the provider organization's or	1045

physician-hospital organization's network to a third party or 1046
contracts directly with employers or health and welfare funds. 1047

(Q) "Specialty health care services" has the same meaning 1048
as in section 1751.01 of the Revised Code, except that it does 1049
not include any services listed in division (B) of section 1050
1751.01 of the Revised Code that are provided by a pharmacist or 1051
a nursing home. 1052

(R) "Supplemental health care services" has the same 1053
meaning as in division (B) of section 1751.01 of the Revised 1054
Code, except that it does not include any services listed in 1055
that division that are provided by a pharmacist or nursing home. 1056

Sec. 5164.14. The medicaid program may cover a health care 1057
service that a pharmacist provides to a medicaid recipient in 1058
accordance with Chapter 4729. of the Revised Code, including any 1059
of the following services: 1060

(A) Managing drug therapy under a consult agreement with a 1061
physician pursuant to section 4729.39 of the Revised Code; 1062

(B) Administering immunizations in accordance with section 1063
4729.41 of the Revised Code; 1064

(C) Administering drugs in accordance with section 4729.45 1065
of the Revised Code. 1066

Sec. 5164.7512. (A) As used in sections 5164.7512 to 1067
5164.7514 of the Revised Code: 1068

(1) "Clinical practice guidelines" means a systematically 1069
developed statement to assist providers and medicaid recipients 1070
in making decisions about appropriate health care for specific 1071
clinical circumstances and conditions. 1072

(2) "Clinical review criteria" means the written screening 1073

procedures, decision abstracts, clinical protocols, and clinical 1074
practice guidelines used by the medicaid program to determine 1075
whether or not a health care service or drug is appropriate and 1076
consistent with medical or scientific evidence. 1077

(3) "Medical or scientific evidence" has the same meaning 1078
as in section 3922.01 of the Revised Code. 1079

(4) "Step therapy exemption" means an overriding of a step 1080
therapy protocol in favor of immediate coverage of a medicaid 1081
provider's selected prescription drug. 1082

(5) "Step therapy protocol" means a protocol under which 1083
it is determined through a specific sequence whether the 1084
medicaid program, under either a pharmacy or medical benefit, 1085
will pay for a prescribed drug that a medicaid provider, 1086
consistent with medical or scientific evidence, prescribes for a 1087
medicaid recipient's specified medical condition, including both 1088
self-administered and physician-administered drugs. 1089

(6) "Urgent care services" has the same meaning as in 1090
section 3922.041 of the Revised Code. 1091

(B) If the department of medicaid utilizes a step therapy 1092
protocol for the medicaid program under which it is recommended 1093
that prescribed drugs be taken in a specific sequence, the 1094
department shall do all of the following: 1095

(1) Implement that step therapy protocol using clinical 1096
review criteria that are based on clinical practice guidelines 1097
or medical or scientific evidence. The department shall take 1098
into account the needs of atypical patient populations and 1099
diagnoses when establishing clinical review criteria. 1100

(2) In a manner consistent with section 5164.7514 of the 1101
Revised Code, establish and implement a step therapy exemption 1102

process under which medicaid recipients and medicaid providers 1103
who prescribe prescribed drugs for medicaid recipients may 1104
request and receive a step therapy exemption; 1105

(3) (a) Make available, to all medicaid providers, a list 1106
of all drugs covered by the medicaid program that are subject to 1107
a step therapy protocol; 1108

(b) Along with the information required under division (B) 1109
(3) (a) of this section, the department of medicaid shall 1110
indicate what information or documentation must be provided to 1111
the department for a step therapy exemption request to be 1112
considered complete. Such information shall be provided for each 1113
drug, if the requirements vary according to the drug or protocol 1114
in question. 1115

(c) The list required under division (B) (3) (a) of this 1116
section, along with all of the required information or 1117
documentation described in division (B) (3) (b) of this section, 1118
shall be made available on the department of medicaid's web site 1119
or provider portal. 1120

(C) This section shall not be construed as requiring the 1121
department to set up a new entity to develop clinical review 1122
criteria for step therapy protocols. 1123

Sec. 5164.7514. (A) All of the following shall apply to 1124
the step therapy exemption process established and implemented 1125
by the department of medicaid pursuant to division (B) (2) of 1126
section 5164.7512 of the Revised Code: 1127

(1) The process shall be clear and convenient. 1128

(2) The process shall be easily accessible on the 1129
department's web site. 1130

(3) The process shall require that a medicaid provider initiate a step therapy exemption request on behalf of a medicaid recipient. 1131
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(4) The process shall require supporting documentation and rationale be submitted with each request for a step therapy exemption. 1134
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(5) The process shall, pursuant to a step therapy exemption request made under division (B)(2) of section 5164.7512 of the Revised Code or an appeal made under division (B)(2) of this section, require the department to grant a step therapy exemption if either of the following applies: 1137
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1141

(a) Either of the following apply to the prescribed drug that would otherwise have to be used under the step therapy protocol: 1142
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(i) The required prescription drug is contraindicated for that specific medicaid recipient, pursuant to the drug's United States food and drug administration prescribing information. 1145
1146
1147

(ii) The medicaid recipient tried the required prescription drug while enrolled in medicaid or other health care coverage, or another United States food and drug administration approved AB-rated prescription drug, and such prescription drug was discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event. 1148
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(b) The medicaid recipient is stable on the prescribed drug selected by the recipient's medicaid provider for the medical condition under consideration, regardless of whether or not the drug was prescribed while the individual in question was a medicaid recipient, or has already gone through a step therapy protocol. However, the department may require a stable medicaid 1154
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recipient to try a pharmaceutical alternative, per the federal 1160
food and drug administration's orange book, purple book, or 1161
their successors, prior to providing coverage for the prescribed 1162
drug. 1163

(6) On granting a step therapy exemption, the department 1164
shall authorize payment for the prescribed drug prescribed by 1165
the medicaid recipient's medicaid provider. 1166

(B)(1) From the time a step therapy exemption request is 1167
received, the department shall either grant or deny the request 1168
within the following time frames: 1169

(a) Forty-eight hours for requests related to urgent care 1170
services; 1171

(b) Ten calendar days for all other requests. 1172

(2)(a) If an exemption request is denied, a medicaid 1173
provider may appeal the denial on behalf of the medicaid 1174
recipient. 1175

(b) From the time a step therapy appeal is received, the 1176
department shall either grant or deny the appeal within the 1177
following time frames: 1178

(i) Forty-eight hours for appeals related to urgent care 1179
services; 1180

(ii) Ten calendar days for all other appeals. 1181

(3) The appeal shall be between the medicaid provider 1182
making the appeal and a clinical peer appointed by or contracted 1183
by the department or the department's designee. 1184

(4) If the department does not either grant or deny an 1185
exemption request or an appeal within the time frames prescribed 1186

in division (B) (1) or (2) of this section, then such an 1187
exemption request or appeal shall be deemed to be granted. 1188

(C) If an appeal is rejected, the medicaid recipient in 1189
question may make a further appeal in accordance with section 1190
5160.31 of the Revised Code. 1191

(D) This section shall not be construed to prevent either 1192
of the following: 1193

(1) The department from requiring a medicaid recipient to 1194
try any new or existing pharmaceutical alternative, per the 1195
federal food and drug administration's orange book, purple book, 1196
or their successors, before authorizing a medicaid payment for 1197
the prescribed drug; 1198

(2) A medicaid provider from prescribing a prescribed drug 1199
that is determined to be consistent with medical or scientific 1200
evidence. 1201

Sec. 5167.12. (A) When contracting under section 5167.10 1202
of the Revised Code with a managed care organization that is a 1203
health insuring corporation, the department of medicaid shall 1204
require the health insuring corporation to provide coverage of 1205
prescribed drugs for medicaid recipients enrolled in the health 1206
insuring corporation. In providing the required coverage, the 1207
health insuring corporation may use strategies for the 1208
management of drug utilization, but any such strategies are 1209
subject to ~~divisions (B) and (E)~~ the limitations and 1210
requirements of this section and the department's approval. 1211

(B) The department shall not permit a health insuring 1212
corporation to impose a prior authorization requirement in the 1213
case of a drug to which all of the following apply: 1214

(1) The drug is an antidepressant or antipsychotic. 1215

(2) The drug is administered or dispensed in a standard 1216
tablet or capsule form, except that in the case of an 1217
antipsychotic, the drug also may be administered or dispensed in 1218
a long-acting injectable form. 1219

(3) The drug is prescribed by any of the following: 1220

(a) A physician who is allowed by the health insuring 1221
corporation to provide care as a psychiatrist through its 1222
credentialing process, as described in division (C) of section 1223
5167.10 of the Revised Code; 1224

(b) A psychiatrist who is practicing at a location on 1225
behalf of a community mental health services provider whose 1226
mental health services are certified by the department of mental 1227
health and addiction services under section 5119.36 of the 1228
Revised Code; 1229

(c) A certified nurse practitioner, as defined in section 1230
4723.01 of the Revised Code, who is certified in psychiatric 1231
mental health by a national certifying organization approved by 1232
the board of nursing under section 4723.46 of the Revised Code; 1233

(d) A clinical nurse specialist, as defined in section 1234
4723.01 of the Revised Code, who is certified in psychiatric 1235
mental health by a national certifying organization approved by 1236
the board of nursing under section 4723.46 of the Revised Code. 1237

(4) The drug is prescribed for a use that is indicated on 1238
the drug's labeling, as approved by the federal food and drug 1239
administration. 1240

(C) Subject to division (E) of this section, the 1241
department shall authorize a health insuring corporation to 1242
develop and implement a pharmacy utilization management program 1243
under which prior authorization through the program is 1244

established as a condition of obtaining a controlled substance 1245
pursuant to a prescription. 1246

(D) The department shall require a health insuring 1247
corporation to comply with ~~section~~ sections 5164.091, 5164.7511, 1248
5164.7512, and 5164.7514 of the Revised Code ~~with respect to~~ 1249
medication synchronization, as if the health insuring 1250
corporation were the department. 1251

~~(E) The department shall require a health insuring~~ 1252
~~corporation to comply with section 5164.091 of the Revised Code~~ 1253
~~as if the health insuring corporation were the department.~~ 1254

Sec. 5167.121. If the medicaid program covers the 1255
pharmacist services described in section 5164.14 of the Revised 1256
Code, the department of medicaid may require a medicaid managed 1257
care organization to provide coverage of the pharmacist services 1258
to the same extent when the services are provided to a medicaid 1259
recipient who is enrolled in the organization as a part of the 1260
care management system established under section 5167.03 of the 1261
Revised Code. 1262

Section 2. That existing sections 173.12, 341.192, 1263
1739.05, 1751.01, 3702.30, 3712.06, 3712.061, 3963.01, and 1264
5167.12 of the Revised Code are hereby repealed. 1265

Section 3. Sections 1739.05, 1751.01, and 3923.89 of the 1266
Revised Code, as amended or enacted by this act, apply to health 1267
benefit plans that are delivered, issued for delivery, or 1268
renewed in this state on or after the effective date of this 1269
act. Section 3963.01 of the Revised Code, as amended by this 1270
act, applies to health care contracts that are entered into, 1271
materially amended, or renewed on or after the effective date of 1272
this act. 1273

Section 4. Sections 3901.83 to 3901.833 of the Revised Code, as enacted by this act, shall apply to health benefit plans, as defined in section 3922.01 of the Revised Code, delivered, issued for delivery, modified, or renewed on or after January 1, 2020. Not later than ninety days after the effective date of this act, the Medicaid Director shall submit to the United States Secretary of Health and Human Services a Medicaid state plan amendment as necessary for the implementation of sections 5164.7512, 5164.7514, and 5167.12 of the Revised Code, as amended or enacted by this act.

Section 5. Section 1739.05 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 463 and Sub. S.B. 319 of the 131st General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.