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H.B. 699
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Abdullahi and Lett

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SUMMARY

- Requires each health benefit plan that covers prescription drugs to cover any drug prescribed to treat a covered person's disease, disorder, or condition if the drug is FDA-approved and recognized for treatment, and the health benefit plan does not expressly exclude coverage for the disease, disorder, or condition.

DETAILED ANALYSIS

Prescription drug coverage under a health benefit plan

The bill requires a health benefit plan that includes prescription drug coverage to cover any drug prescribed to treat a covered person for a disease, disorder, or condition if all of the following apply:

- The U.S. Food and Drug Administration (FDA) has approved the drug for the covered person's disease, disorder, or condition;
- The drug is recognized for treatment of the disease, disorder, or condition by either a prescription drug reference compendium approved by the Superintendent of Insurance or substantially accepted peer-reviewed medical literature;
- The health benefit plan does not expressly exclude coverage for the disease, disorder, or condition.

The coverage also must include all medically necessary services related to administering the drug. These provisions apply to all plans delivered, issued for delivery, modified, or renewed on or after January 1, 2027.¹

¹ R.C. 3902.65(A) and (B).

The bill further prohibits a health plan issuer from denying coverage of a prescription drug based on a “medical necessity” requirement, unless the denial is based on a reason that is not related to the drug’s legal status.²

The bill specifies that it does not require a health benefit plan to cover:

- Experimental drugs that are not otherwise approved for treating the covered person’s disease, disorder, or condition by the FDA; or
- A drug that the FDA has determined to be contraindicated for treating the covered person’s disease, disorder, or condition.³

Application of mandated health benefit

The drug coverage requirement under the bill might be considered a mandated health benefit. Under existing law, if the General Assembly enacts a mandated health benefit, that provision cannot be applied to any health benefit plan until the Superintendent of Insurance determines that it can be applied fully and equally in all respects to employee benefit plans subject to regulation by the federal “Employee Retirement Income Security Act of 1974” (ERISA), and to employee benefit plans established or modified by the state or any of its political subdivisions. ERISA appears to preempt any state regulation of such plans.⁴ The bill includes a provision that exempts its requirements from the existing law restriction.⁵

HISTORY

Action	Date
Introduced	02-17-26

ANHB0699IN-136/ks

² R.C. 3902.65(C).

³ R.C. 3902.65(D).

⁴ 29 United States Code 1144.

⁵ R.C. 3902.65(A); R.C. 3901.71, not in the bill.