



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5196

Introduced 2/8/2012, by Rep. Daniel Biss

SYNOPSIS AS INTRODUCED:

New Act

Creates the Electronic Prescribing Act. Provides that beginning August 1, 2014, a drug prior authorization request must be accessible to a health care provider with the provider's electronic prescribing software system and must be accepted electronically, through a secure electronic transmission, by the payer, by the insurance company, or by the pharmacy benefit manager responsible for implementing or adjudicating or for implementing and adjudicating the authorization or denial of the prior authorization request. Provides that beginning August 1, 2014, electronic transmission devices used to communicate a prescription to a pharmacist may not use any means or permit any other person to use any means, including advertising, commercial messaging, and pop-up advertisements, to influence or attempt to influence through economic incentives the prescribing decision of a prescribing practitioner at the point of care. Creates the Electronic Prescribing Study Committee to study certain aspects of optimizing electronic prescribing systems, including, how to ensure that the prescribing decisions of practitioners at the point of care are focused on patient safety and quality outcomes, and that attempts to influence those decisions, through economic incentives or otherwise, are kept to a minimum. Contains provisions concerning Committee policies; Committee hearings; the Committee's composition; compensation; and reporting requirements. Effective July 1, 2012.

LRB097 18728 KTG 63963 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning health.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Electronic Prescribing Act.

6 Section 5. Drug prior authorization requests. Beginning
7 August 1, 2014, a drug prior authorization request must be
8 accessible to a health care provider with the provider's
9 electronic prescribing software system and must be accepted
10 electronically, through a secure electronic transmission, by
11 the payer, by the insurance company, or by the pharmacy benefit
12 manager responsible for implementing or adjudicating or for
13 implementing and adjudicating the authorization or denial of
14 the prior authorization request. For purposes of this Section,
15 a facsimile is not an electronic transmission.

16 Section 10. Electronic transmission devices. Beginning
17 August 1, 2014, electronic transmission devices used to
18 communicate a prescription to a pharmacist may not use any
19 means or permit any other person to use any means, including
20 advertising, commercial messaging, and pop-up advertisements,
21 to influence or attempt to influence through economic
22 incentives the prescribing decision of a prescribing

1 practitioner at the point of care. Such means may not be
2 triggered by or be in specific response to the input,
3 selection, or act of a prescribing practitioner or the
4 prescribing practitioner's staff in prescribing a certain
5 pharmaceutical or directing a patient to a certain pharmacy.
6 Any electronic communication sent to the prescriber, including
7 advertising, commercial messaging, or pop-up advertisements,
8 must be consistent with the product label, supported by
9 scientific evidence, and meet the federal Food and Drug
10 Administration requirements for advertising pharmaceutical
11 products.

12 Section 15. Electronic prescribing software. Electronic
13 prescribing software may show information regarding a payer's
14 formulary if the software is not designed to preclude or make
15 more difficult the act of a prescribing practitioner or patient
16 selecting any particular pharmacy or pharmaceutical.

17 Section 20. Standardized drug prior authorization request
18 transactions; outline. Within 6 months after the effective date
19 of this Act, the Electronic Prescribing Study Committee created
20 in Section 25 of this Act shall establish an outline on how
21 best to standardize drug prior authorization request
22 transactions between providers and the payers, insurance
23 companies, and pharmacy benefit managers responsible for
24 adjudicating the authorization or denial of the prescription

1 request. The outline must be designed with the goal of
2 maximizing administrative simplification and efficiency in
3 preparation for electronic transmissions and alignment with
4 standards that are or will potentially be used nationally. By
5 June 30, 2013, the Electronic Prescribing Study Committee shall
6 provide a report to the President of the Senate, the Speaker of
7 the House of Representatives, the Secretary of the Senate, the
8 Clerk of the House, the Governor, and the Director of the State
9 Library regarding the outline on how best to standardize drug
10 prior authorization request transactions.

11 Section 25. Electronic Prescribing Study Committee. The
12 Electronic Prescribing Study Committee is created to study the
13 following aspects of optimizing electronic prescribing
14 systems: (i) how best to develop a neutral platform for the
15 electronic transmission of health data including, but not
16 limited to, medication history, formulary status, and other
17 patient information health professionals typically access when
18 prescribing medication and other interventions; (ii) how to
19 ensure that the prescribing decisions of practitioners at the
20 point of care are focused on patient safety and quality
21 outcomes, and that attempts to influence those decisions,
22 through economic incentives or otherwise, are kept to a
23 minimum; (iii) how to ensure that messages in electronic
24 prescribing systems are substantially supported by scientific
25 evidence, are accurate, up-to-date, and fact-based, and

1 include a fair and balanced presentation of risks and benefits
2 and support for better clinical decision-making, such as alerts
3 to adverse events and access to formulary information; and (iv)
4 how to establish a process to provide electronic prior
5 authorization request and approval transactions between
6 providers and group purchasers.

7 Section 30. Committee policies. The Committee must develop
8 and recommend policies that (i) seek to limit marketing in
9 electronic health record systems, (ii) seek to encourage the
10 provision of evidence-based information at the point of care,
11 and (iii) standardize prior authorization to maximize
12 administrative simplification and efficiency. The Committee
13 shall recommend a universal prior authorization form to be made
14 available for electronic use.

15 Section 35. Hearings. The Committee may meet and hold
16 hearings at the places it designates during the sessions or
17 recesses of the General Assembly, and the Committee shall
18 report its findings and any recommendations for proposed
19 legislation to the President of the Senate, the Speaker of the
20 House of Representatives, the Secretary of the Senate, the
21 Clerk of the House, the Governor, and the Director of the State
22 Library on or before January 1, 2013.

23 Section 40. Committee composition. The Committee shall

1 consist of the following members: the Governor's Senior Health
2 Policy Advisor and Chief Information Officer; 2 members of the
3 Senate, one appointed by the President of the Senate and the
4 other by the Minority Leader of the Senate; 2 members of the
5 House of Representatives, one appointed by the Speaker of the
6 House of Representatives and the other by the House Minority
7 Leader; a representative of the Department of Healthcare and
8 Family Services designated by the Director; a representative of
9 the Pharmaceutical Research and Manufacturers of America
10 (PhRMA) appointed by the Governor; a representative of the
11 Illinois Hospital Association appointed by the Governor; a
12 representative of the Illinois Medical Society appointed by the
13 Governor; a representative of the Illinois Pharmacy
14 Association appointed by the Governor; and 2 patient advocates
15 appointed by the Governor.

16 Section 45. Compensation; staff support. The members of the
17 Committee shall serve without compensation, but shall be
18 reimbursed for necessary expenses incurred in the performance
19 of their duties and within the limits of funds available to the
20 Committee. The Committee shall be entitled to call to its
21 assistance and avail itself of the services of the employees of
22 any State, county, or municipal department, board, bureau,
23 commission, or agency as it may require and as may be available
24 to it for its purposes. The Department of Healthcare and Family
25 Services shall provide staff support to the Committee.

1 Section 99. Effective date. This Act takes effect July 1,
2 2012.