



BULLETIN NO. LH 2021-01

To: All Health Insurance Companies and Health Maintenance Organizations

Re: Step Therapy Protocol Requirements

From: Glen Mulready, Commissioner

Date: May 11, 2021

On November 1, 2019, 63 O.S. § 7310 relating to step therapy protocols for prescription drug coverage (the “Step Therapy Law”) became effective. The law applies to all insurers doing business in Oklahoma that utilize a step therapy protocol or contract with pharmacy benefit managers (PBMs) or utilization review organizations that use step therapy protocols.

The Department has recently become aware that certain provisions of the statute are not being followed. Complaints have been registered that health insurance plan providers, as defined in the statute, are out of compliance with regard to timely responses for a step therapy exception. The statute provision reads:

*“A health insurance provider shall respond to a request for a step therapy exception, or any appeal therefore, **within seventy-two (72) hours** of receipt of the request or appeal. If a patient’s prescribing healthcare provider indicates exigent circumstances exist, the health insurance plan provider shall respond to such request or appeal **within twenty-four (24) hours** of receipt of the request or appeal. If the health insurance plan provider fails to respond within the required time, the step therapy exception or appeal shall be deemed granted. Upon granting a step therapy exception, the health insurance plan provider shall authorize coverage for, and dispensation of the prescription drug prescribed by the patient’s healthcare provider.”*

Health insurance plan providers are further instructed to review, follow, and grant step therapy exceptions submitted in compliance to the requirements set forth in Section 2 of the statute. These provisions permit an exception when supported by clinical documentation meeting the criteria outlined in subsections a-e of Section 2 of the statute.

The Department issues this guidance to inform and educate health insurance plan providers on the provisions in the statute and to restate the required compliance to the response time and exception criteria as outlined. We encourage the industry to work collaboratively with providers in this area.

Questions or comments applicable to this bulletin should be directed to Mike Rhoads, Deputy Commissioner, at the Oklahoma Insurance Department, 400 North East 50th St., Oklahoma City, OK 73105-1816 or by phone at (918-295-3700).