LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS FISCAL IMPACT STATEMENT

LS 6126 NOTE PREPARED: Oct 28, 2025

BILL NUMBER: HB 1114 BILL AMENDED:

SUBJECT: Coverage for Certain Cancer Prescriptions.

FIRST AUTHOR: Rep. Pryor BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$

<u>Summary of Legislation:</u> This bill prohibits a State Employee Health Plan (SEHP), a policy of accident and sickness insurance, and a health maintenance organization that provides coverage for advanced, metastatic cancer and associated conditions from requiring that, before providing coverage for a prescription drug, the insured fail to successfully respond to a different prescription drug or prove a history of failure of a different prescription drug.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The SEHP does not currently place requirements for an insured to fail at certain prescriptions or to prove a history of failure of a specific treatment before allowing use of targeted medication for the treatment of advanced metastatic cancer or associated conditions. However, certain drug protocols require these steps before prescribing a target medication. The SEHP could see increased costs if the provisions of the bill impact prescribing towards a higher cost of first treatment. Any change in prescribing behavior is indeterminate yet likely to be rare.

The bill's requirements will increase workload for the Department of Insurance (DOI) to ensure compliance, but should be able to be implemented using existing staffing and resources. [The DOI is funded through a dedicated agency fund.]

Explanation of State Revenues:

<u>Explanation of Local Expenditures:</u> Local entities providing health insurance through the state health plan, a policy of accident and sickness, or a health maintenance organization may have increased costs if the provisions of the bill impact prescribing towards a higher cost of first treatment.

Explanation of Local Revenues:

State Agencies Affected: All.

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Local Agencies Affected: Local entities providing health care insurance.

<u>Information Sources:</u> Christy Tittle, State Personnel Department.

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