

STEP THERAPY OVERRIDE: STATE LAWS

29+ states have override laws — learn which apply to your plan

And how to invoke them with state-by-state reference.

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What Is Step Therapy?

Step therapy is a requirement that patients try lower-cost treatments before an insurer will approve a more expensive or preferred option. For example, a plan may require trying two generic medications before approving a brand-name drug.

Step therapy requirements are the most common unmet criteria in prior authorization denials. If you have already completed these steps — even years ago with a different provider — that history must be documented and submitted.

What Are Step Therapy Override Laws?

Step therapy override laws require insurers to allow patients to bypass step therapy requirements under specific circumstances. More than 29 states have enacted these protections. However, these laws apply only to state-regulated (fully insured) commercial plans — they do not apply to self-insured ERISA plans, which are governed by federal law.

Plan Type	Override Laws Apply?	Governing Authority
Commercial fully insured (state-regulated)	Yes — if your state has a law	State Department of Insurance
Self-insured / ERISA employer plan	No — federal law governs	Department of Labor (EBSA)
Medicare Advantage (Part C)	Partial — CMS has some protections	Centers for Medicare & Medicaid Services
Medicaid managed care	Varies by state	State Medicaid agency

Common Override Criteria

Most state override laws require exceptions under one or more of the following circumstances:

- The required step therapy drug is contraindicated for the patient
- The patient previously tried and failed the required drug
- The patient previously tried the required drug at a different dose and it was inadequate
- The required drug would cause an adverse reaction or harm based on the patient's other medications
- The patient is stable on the requested drug and a change would cause harm
- The required drug is not clinically appropriate for the patient's condition

How to Invoke a Step Therapy Override

Step 1 — Confirm your plan type

Is your insurance fully insured (state-regulated) or self-insured (ERISA)? Check your Summary of Benefits and Coverage or ask your employer's HR department. This determines whether state override laws apply.

Step 2 — Check if your state has an override law

States with step therapy override laws include but are not limited to: Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, and West Virginia. Verify current status with your state Department of Insurance as laws change.

Step 3 — Request the exception in writing

Your provider must submit a written exception request citing the applicable state law, the clinical reason the required step therapy is inappropriate, and documentation supporting the exception criteria.

Step 4 — Escalate if denied

If the exception is denied, file a complaint with your state Department of Insurance citing the specific override law. Most states require insurers to respond to exception requests within defined timeframes.

The exception request must be submitted by your provider, not by you directly. Give your provider a copy of this guide and ask them to cite your state's specific step therapy override statute.

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