

Senator Gene Davis proposes the following substitute bill:

PREFERRED DRUG LIST REVISIONS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Allen M. Christensen

House Sponsor: _____

LONG TITLE

General Description:

This bill amends the Medical Assistance Act.

Highlighted Provisions:

This bill:

- ▶ creates a demonstration project for the preferred drug list which allows the department to require preauthorization for the override of the preferred drug list for proton pump inhibitors;
- ▶ establishes the demonstration project for one year; and
- ▶ requires the department to report to the legislature regarding savings from the demonstration project.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26-18-2.4, as last amended by Laws of Utah 2008, Chapter 180



26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **26-18-2.4** is amended to read:

28 **26-18-2.4. Medicaid drug program.**

29 (1) A Medicaid drug program developed by the department under Subsection 26-18-2.3

30 (2)(f):

31 (a) shall, notwithstanding Subsection 26-18-2.3(1)(b), be based on clinical and
32 cost-related factors which include medical necessity as determined by a provider in accordance
33 with administrative rules established by the Drug Utilization Review Board;

34 (b) may include therapeutic categories of drugs that may be exempted from the drug
35 program;

36 (c) may include placing some drugs, except the drugs described in Subsection (3), on a
37 preferred drug list to the extent determined appropriate by the department; and

38 (d) (i) except as prohibited by Subsections 58-17b-606(4) and (5), and Subsection (4)
39 of this section, shall permit a health care provider with prescriptive authority to override the
40 restrictions of a preferred drug list provided that the medical necessity for the override is
41 documented in the patient's medical file and by handwriting on the prescription "medically
42 necessary - dispense as written"; and

43 (ii) shall not permit a health care provider with prescriptive authority to override the
44 restrictions of a preferred drug list with any preprinted instructions for dispense as written, or
45 no substitutions allowed.

46 (2) [~~If the department implements a drug program under the provisions of Subsection~~
47 ~~(1)(c), the~~] The department shall:

48 (a) determine the percentage of prescriptions that are paid for by the department which
49 are overrides to the preferred drug list under [~~Subsection~~] Subsections (1)(d)(i) and (4);

50 (b) include the information required by Subsection (2)(a) in the report required by
51 Subsection (2)(c); and

52 (c) report its findings regarding the drug program to the Legislative Health and Human
53 Services Interim Committee by [~~August 30, 2008~~] October 30, 2009, and to the Legislative
54 Health and Human Services Appropriations Subcommittee during the [~~2009~~] 2010 General
55 Session.

56 (3) (a) For purposes of this Subsection (3), "immunosuppressive drug":

57 (i) means a drug that is used in immunosuppressive therapy to inhibit or prevent
58 activity of the immune system to aid the body in preventing the rejection of transplanted organs
59 and tissue; and

60 (ii) does not include drugs used for the treatment of autoimmune disease or diseases
61 that are most likely of autoimmune origin.

62 (b) A preferred drug list developed under the provisions of this section may not
63 include:

64 (i) a psychotropic or anti-psychotic drug; or

65 (ii) an immunosuppressive drug.

66 (c) The state Medicaid program shall reimburse for a prescription for an
67 immunosuppressive drug as written by the health care provider for a patient who has undergone
68 an organ transplant. For purposes of Subsection 58-17b-606(4), and with respect to patients
69 who have undergone an organ transplant, the prescription for a particular immunosuppressive
70 drug as written by a health care provider meets the criteria of demonstrating to the Department
71 of Health a medical necessity for dispensing the prescribed immunosuppressive drug.

72 (d) Notwithstanding the requirements of Part 2, Drug Utilization Review Board, the
73 state Medicaid drug program may not require the use of step therapy for immunosuppressive
74 drugs without the written or oral consent of the health care provider and the patient.

75 (4) (a) Notwithstanding the requirements of Part 2, Drug Utilization Review Board, the
76 department shall immediately implement a demonstration project in accordance with
77 Subsection (b) to evaluate the effect of eliminating the automatic physician override of the
78 preferred drug list for proton pump inhibitors.

79 (b) The demonstration project authorized by Subsection (4)(a) may, from the effective
80 date of this act until July 1, 2010:

81 (i) place proton pump inhibitors on the preferred drug list;

82 (ii) exempt the proton pump inhibitors from the override procedures in Subsection
83 (1)(d); and

84 (iii) require a physician to obtain pre-authorization from the department to override the
85 preferred drug list for proton pump inhibitors.

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