

**Medicaid Pharmacy Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Bridger Bolinder**

Senate Sponsor: Brady Brammer

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**LONG TITLE****General Description:**

This bill amends provisions related to Medicaid pharmacy benefits.

**Highlighted Provisions:**

This bill:

- requires Medicaid pharmacy benefits to be provided through the fee-for-service Medicaid model.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**26B-3-105**, as renumbered and amended by Laws of Utah 2023, Chapter 306

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

Section 1. Section **26B-3-105** is amended to read:

**26B-3-105 . Medicaid drug program -- Preferred drug list.**

(1) A Medicaid drug program developed by the department under Subsection

26B-3-104(2)(f):

(a) shall, notwithstanding Subsection 26B-3-104(1)(b), be based on clinical and cost-related factors which include medical necessity as determined by a provider in accordance with administrative rules established by the Drug Utilization Review Board;

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

(c) may include placing some drugs, except the drugs described in Subsection (2), on a preferred drug list:

- 31 (i) to the extent determined appropriate by the department; and  
32 (ii) in the manner described in Subsection (3) for psychotropic drugs;
- 33 (d) notwithstanding the requirements of Sections 26B-3-302 through 26B-3-309  
34 regarding the Drug Utilization Review Board, and except as provided in Subsection  
35 (3), shall immediately implement the prior authorization requirements for a  
36 nonpreferred drug that is in the same therapeutic class as a drug that is:  
37 (i) on the preferred drug list on the date that this act takes effect; or  
38 (ii) added to the preferred drug list after this act takes effect; and
- 39 (e) except as prohibited by Subsections 58-17b-606(4) and (5), shall establish the prior  
40 authorization requirements established under Subsections (1)(c) and (d) which shall  
41 permit a health care provider or the health care provider's agent to obtain a prior  
42 authorization override of the preferred drug list through the department's pharmacy  
43 prior authorization review process, and which shall:  
44 (i) provide either telephone or fax approval or denial of the request within 24 hours of  
45 the receipt of a request that is submitted during normal business hours of Monday  
46 through Friday from 8 a.m. to 5 p.m.;  
47 (ii) provide for the dispensing of a limited supply of a requested drug as determined  
48 appropriate by the department in an emergency situation, if the request for an  
49 override is received outside of the department's normal business hours; and  
50 (iii) require the health care provider to provide the department with documentation of  
51 the medical need for the preferred drug list override in accordance with criteria  
52 established by the department in consultation with the Pharmacy and Therapeutics  
53 Committee.
- 54 (2)(a) As used in this Subsection (2):  
55 (i) "Immunosuppressive drug":  
56 (A) means a drug that is used in immunosuppressive therapy to inhibit or prevent  
57 activity of the immune system to aid the body in preventing the rejection of  
58 transplanted organs and tissue; and  
59 (B) does not include drugs used for the treatment of autoimmune disease or  
60 diseases that are most likely of autoimmune origin.  
61 (ii) "Stabilized" means a health care provider has documented in the patient's medical  
62 chart that a patient has achieved a stable or steadfast medical state within the past  
63 90 days using a particular psychotropic drug.
- 64 (b) A preferred drug list developed under the provisions of this section may not include

an immunosuppressive drug.

- (c)(i) The state Medicaid program shall reimburse for a prescription for an immunosuppressive drug as written by the health care provider for a patient who has undergone an organ transplant.
- (ii) For purposes of Subsection 58-17b-606(4), and with respect to patients who have undergone an organ transplant, the prescription for a particular immunosuppressive drug as written by a health care provider meets the criteria of demonstrating to the department a medical necessity for dispensing the prescribed immunosuppressive drug.
- (d) Notwithstanding the requirements of Sections 26B-3-302 through 26B-3-309 regarding the Drug Utilization Review Board, the state Medicaid drug program may not require the use of step therapy for immunosuppressive drugs without the written or oral consent of the health care provider and the patient.
- (e) The department may include a sedative hypnotic on a preferred drug list in accordance with Subsection (2)(f).
- (f) The department shall grant a prior authorization for a sedative hypnotic that is not on the preferred drug list under Subsection (2)(e), if the health care provider has documentation related to one of the following conditions for the Medicaid client:
- (i) a trial and failure of at least one preferred agent in the drug class, including the name of the preferred drug that was tried, the length of therapy, and the reason for the discontinuation;
  - (ii) detailed evidence of a potential drug interaction between current medication and the preferred drug;
  - (iii) detailed evidence of a condition or contraindication that prevents the use of the preferred drug;
  - (iv) objective clinical evidence that a patient is at high risk of adverse events due to a therapeutic interchange with a preferred drug;
  - (v) the patient is a new or previous Medicaid client with an existing diagnosis previously stabilized with a nonpreferred drug; or
  - (vi) other valid reasons as determined by the department.
- (g) A prior authorization granted under Subsection (2)(f) is valid for one year from the date the department grants the prior authorization and shall be renewed in accordance with Subsection (2)(f).
- (3)(a) As used in this Subsection (3), "psychotropic drug" means the following classes of

99 drugs:

- 100 (i) atypical anti-psychotic;
- 101 (ii) anti-depressant;
- 102 (iii) anti-convulsant/mood stabilizer;
- 103 (iv) anti-anxiety; and
- 104 (v) attention deficit hyperactivity disorder stimulant.

105 (b)(i) The department shall develop a preferred drug list for psychotropic drugs.

106 (ii) Except as provided in Subsection (3)(d), a preferred drug list for psychotropic  
107 drugs developed under this section shall allow a health care provider to override  
108 the preferred drug list by writing "dispense as written" on the prescription for the  
109 psychotropic drug.

110 (iii) A health care provider may not override Section 58-17b-606 by writing  
111 "dispense as written" on a prescription.

112 (c) The department, and a Medicaid accountable care organization that is responsible for  
113 providing behavioral health, shall:

114 (i) establish a system to:

- 115 (A) track health care provider prescribing patterns for psychotropic drugs;
- 116 (B) educate health care providers who are not complying with the preferred drug  
117 list; and
- 118 (C) implement peer to peer education for health care providers whose prescribing  
119 practices continue to not comply with the preferred drug list; and

120 (ii) determine whether health care provider compliance with the preferred drug list is  
121 at least:

- 122 (A) 55% of prescriptions by July 1, 2017;
- 123 (B) 65% of prescriptions by July 1, 2018; and
- 124 (C) 75% of prescriptions by July 1, 2019.

125 (d) Beginning October 1, 2019, the department shall eliminate the dispense as written  
126 override for the preferred drug list, and shall implement a prior authorization system  
127 for psychotropic drugs, in accordance with Subsection (2)(f), if by July 1, 2019, the  
128 department has not realized annual savings from implementing the preferred drug list  
129 for psychotropic drugs of at least \$750,000 General Fund savings.

130 (4) Notwithstanding Section 26B-3-202 and beginning on July 1, ~~H~~ → [2027]

130a 2026 ← H , the Medicaid drug

131 program described in this section shall be exclusively delivered through the

- 132        fee-for-service Medicaid model.
- 133        Section 2. **Effective Date.**
- 134        This bill takes effect on May 7, 2025.