

Senator Allen M. Christensen proposes the following substitute bill:

PREFERRED DRUG LIST REVISIONS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Allen M. Christensen

House Sponsor: James A. Dunnigan

LONG TITLE

General Description:

This bill amends the preferred drug list provisions of the Medical Assistance Act.

Highlighted Provisions:

This bill:

► provides an additional method for over-riding the preferred drug list for patients with mental disorders.

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 2007, Chapter 385

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

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

26-18-2.4. Medicaid drug program.

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



26 (2)(f):

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

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

32 (c) may include placing some drugs[~~except psychotropic or anti-psychotic drugs,~~] on
33 a preferred drug list to the extent determined appropriate by the department; and

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

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

41 (2) If the department implements a drug program under the provisions of Subsection
42 (1)(c), the department shall:

43 (a) determine the percentage of prescriptions that are paid for by the department which
44 are overrides to the preferred drug list under Subsection (1)(d)(i);

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

47 (c) report its findings regarding the drug program to the Legislative Health and Human
48 Services Interim Committee by August 30, 2008, and to the Legislative Health and Human
49 Services Appropriations Subcommittee during the 2009 General Session.

50 (3) (a) In addition to the over-ride of the preferred drug list permitted by Subsection
51 (1)(d), the department shall permit an over-ride of the preferred drug list for the drug categories
52 listed in Subsection (3)(b) when:

53 (i) the drug is prescribed for a mental illness or mental disorder that is included in the
54 most recent edition of the Diagnostic Statistical Manual of Mental Disorders; and

55 (ii) the prescribing practitioner includes on the prescription the appropriate ICD-9 or
56 ICD-10 code for the patient's mental illness or mental disorder.

- 57 (b) The following drug categories are subject to Subsection (3)(a):
58 (i) typical or atypical anti-psychotic;
59 (ii) an anti-depressant;
60 (iii) an anti-convulsant;
61 (iv) an anti-anxiety drug;
62 (v) a mood stabilizer; and
63 (vi) a stimulant.

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Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this legislation may result in savings of up to \$460,600 General Fund and \$1,124,400 Federal Funds in FY 2009 (\$1,585,000 total). In FY 2010 savings may be as high as \$921,200 General Fund and \$2,248,800 Federal Funds (\$3,170,000 total).

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
General Fund	\$0	(\$921,200)	(\$921,200)	\$0	\$0	\$0
General Fund, One-Time	\$0	\$460,600	\$0	\$0	\$0	\$0
Federal Funds	\$0	(\$1,124,400)	(\$2,248,800)	\$0	\$0	\$0
Total	\$0	(\$1,585,000)	(\$3,170,000)	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
