

MEDICAID DRUG PROGRAM AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lyle W. Hillyard

House Sponsor: Ron Bigelow

LONG TITLE

General Description:

This bill modifies the Utah Health Code by amending the drug prior approval program to allow cost considerations to be used during the approval process.

Highlighted Provisions:

This bill:

- ▶ allows the Drug Utilization Review Board to use cost considerations in addition to other issues in determining which drugs are approved by the board under the drug utilization review in the Medicaid program; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26-18-105, as last amended by Laws of Utah 2006, Chapter 14

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

Section 1. Section **26-18-105** is amended to read:

26-18-105. Drug prior approval program.



28 (1) Any drug prior approval program approved or implemented by the board shall meet
29 the following conditions:

30 ~~[(1)]~~ (a) except as provided under Subsection (2), no drug may be placed on prior
31 approval for other than medical reasons;

32 ~~[(2)]~~ (b) the board shall hold a public hearing at least 90 days prior to placing a drug on
33 prior approval;

34 ~~[(3)]~~ (c) notwithstanding the provisions of Section 52-4-202, the board shall provide
35 not less than 30 days notice to the public before holding a public hearing under Subsection
36 ~~[(2)]~~ (1)(b);

37 ~~[(4)]~~ (d) the board shall consider written and oral comments submitted by interested
38 parties prior to or during the hearing held in accordance with Subsection ~~[(2)]~~ (1)(b);

39 ~~[(5)]~~ (e) the board shall provide evidence that placing a drug class on prior approval
40 will not impede quality of recipient care and that the drug class is subject to clinical abuse or
41 misuse;

42 ~~[(6)]~~ (f) no later than nine months after any drug class is placed on prior approval, it
43 shall be reconsidered in a public hearing with notice as provided in Subsection ~~[(3)]~~ (1)(c);

44 ~~[(7)]~~ (g) the program shall provide either telephone or fax approval or denial at least
45 Monday through Friday, within 24 hours after receipt of the prior approval request;

46 ~~[(8)]~~ (h) the program shall provide for the dispensing of at least a 72-hour supply of the
47 drug in an emergency situation or on weekends;

48 ~~[(9)]~~ (i) the program may not be applied to prevent acceptable medical use for
49 appropriate off-label indications; and

50 ~~[(10)]~~ (j) any drug class placed on prior approval shall receive a majority vote by the
51 board for that placement, after meeting the requirements ~~[described in Subsections (1) through~~
52 ~~[(10)]~~ in this Subsection (1).

53 (2) The board may consider cost of a drug when determined appropriate by the board.

Legislative Review Note
as of 3-6-09 6:55 PM

Office of Legislative Research and General Counsel

S.B. 258 - Medicaid Drug Program Amendments

Fiscal Note

2009 General Session

State of Utah

State Impact

This Legislation generates ongoing savings of \$39,400 for the Department of Health beginning in FY 2010 with \$11,300 coming from the General Fund and \$28,100 from Federal Funds. These savings are reflected in H.B. 3 and S.B. 2., 2009 General Session.

	<u>2009</u> <u>Approp.</u>	<u>2010</u> <u>Approp.</u>	<u>2011</u> <u>Approp.</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>	<u>2011</u> <u>Revenue</u>
General Fund	\$0	(\$11,300)	(\$11,300)	\$0	\$0	\$0
Federal Funds	\$0	(\$28,100)	(\$28,100)	\$0	\$0	\$0
Total	\$0	(\$39,400)	(\$39,400)	\$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 or local governments. The savings listed above come through lower drug reimbursements to pharmacies.
