

1                   **MEDICAID PREFERRED DRUG LIST AMENDMENTS**

2                                   2015 GENERAL SESSION

3                                   STATE OF UTAH

4                                   **Chief Sponsor: Raymond P. Ward**

5                                   Senate Sponsor: Allen M. Christensen

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7   **LONG TITLE**

8   **General Description:**

9           This bill authorizes the Department of Health to include additional drugs on the  
10 Medicaid program's preferred drug list.

11 **Highlighted Provisions:**

12           This bill:

- 13           ▶ authorizes the Department of Health to include all psychotropic and anti-psychotic
- 14 drugs on the Medicaid program's preferred drug list;
- 15           ▶ amends prior authorization provisions for the preferred drug list to address
- 16 psychotropic and anti-psychotic drugs; and
- 17           ▶ requires the department to report on savings resulting from the preferred drug list.

18 **Money Appropriated in this Bill:**

19           None

20 **Other Special Clauses:**

21           None

22 **Utah Code Sections Affected:**

23 AMENDS:

24           **26-18-2.4**, as last amended by Laws of Utah 2012, Chapters 242 and 343

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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 -- Preferred drug list.**

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

30 [26-18-2.3\(2\)\(f\)](#):

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 (2), on a  
37 preferred drug list to the extent determined appropriate by the department;

38           (d) notwithstanding the requirements of Part 2, Drug Utilization Review Board, shall  
39 immediately implement the prior authorization requirements for a nonpreferred drug that is in  
40 the same therapeutic class as a drug that is:

41           (i) on the preferred drug list on the date that this act takes effect; or

42           (ii) added to the preferred drug list after this act takes effect; and

43           (e) except as prohibited by Subsections [58-17b-606\(4\)](#) and (5), shall establish the prior  
44 authorization requirements established under Subsections (1)(c) and (d) which shall permit a  
45 health care provider or the health care provider's agent to obtain a prior authorization override  
46 of the preferred drug list through the department's pharmacy prior authorization review process,  
47 and which shall:

48           (i) provide either telephone or fax approval or denial of the request within 24 hours of  
49 the receipt of a request that is submitted during normal business hours of Monday through  
50 Friday from 8 a.m. to 5 p.m.;

51           (ii) provide for the dispensing of a limited supply of a requested drug as determined  
52 appropriate by the department in an emergency situation, if the request for an override is  
53 received outside of the department's normal business hours; and

54           (iii) require the health care provider to provide the department with documentation of  
55 the medical need for the preferred drug list override in accordance with criteria established by  
56 the department in consultation with the Pharmacy and Therapeutics Committee.

57           (2) (a) For purposes of this Subsection (2):

58           (i) "Immunosuppressive drug":

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

62 (B) does not include drugs used for the treatment of autoimmune disease or diseases  
63 that are most likely of autoimmune origin.

64 (ii) "Psychotropic drug" means the following classes of drugs: atypical anti-psychotic,  
65 anti-depressants, anti-convulsant/mood stabilizer, anti-anxiety, attention deficit hyperactivity  
66 disorder stimulants, or sedative/hypnotics.

67 (iii) "Stabilized" means a health care provider has documented in the patient's medical  
68 chart that a patient has achieved a stable or steadfast medical state within the past 90 days using  
69 a particular psychotropic drug.

70 (b) A preferred drug list developed under the provisions of this section may not  
71 include[: (i) ~~except as provided in Subsection (2)(e), a psychotropic or anti-psychotic drug; or~~  
72 ~~(ii)] an immunosuppressive drug.~~

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

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

82 [~~(e) The department may include a sedative hypnotic on a preferred drug list in~~  
83 ~~accordance with Subsection (2)(f).]~~

84 [(f)] (e) The department shall grant a prior authorization for a [~~sedative hypnotic~~]  
85 psychotropic drug that is not on the preferred drug list [~~under Subsection (2)(e),]~~ if the health  
86 care provider has documentation [~~related to~~] showing at least one of the following [~~conditions~~]  
87 for the Medicaid client:

88 (i) a trial and failure of at least one preferred agent in the drug class, including the  
89 name of the preferred drug that was tried, the length of therapy, and the reason for the

90 discontinuation;

91 (ii) detailed evidence of a potential drug interaction between current medication and

92 the preferred drug;

93 (iii) detailed evidence of a condition or contraindication that prevents the use of the

94 preferred drug;

95 (iv) objective clinical evidence that a patient is at high risk of adverse events due to a

96 therapeutic interchange with a preferred drug;

97 (v) the patient is a new or previous Medicaid client with an existing diagnosis

98 previously stabilized with a nonpreferred drug; or

99 (vi) other valid reasons as determined by the department.

100 ~~(g)~~ (f) A prior authorization granted under Subsection (2)~~(f)~~(e) is valid for one year

101 from the date the department grants the prior authorization and shall be renewed in accordance

102 with Subsection (2)~~(f)~~(e).

103 (3) The department shall report to the Health and Human Services Interim Committee

104 and to the Social Services Appropriations Subcommittee prior to November 1, ~~2013~~ 2015,

105 regarding the savings to the Medicaid program resulting from the use of the preferred drug list

106 permitted by Subsection (1).

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**Legislative Review Note**  
**as of 1-12-15 9:04 AM**

**Office of Legislative Research and General Counsel**