

SENATE BILL NO. 4—COMMITTEE OF THE WHOLE

FEBRUARY 27, 2010

Referred to Committee of the Whole

SUMMARY—Revises provisions governing the list of preferred prescription drugs to be used for the Medicaid program. (BDR 38-11)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted-material~~ is material to be omitted.

AN ACT relating to health care; revising provisions governing the list of preferred prescription drugs to be used for the Medicaid program; providing exceptions for medications not included in the list of preferred prescription drugs; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Department of Health and Human Services is required
2 to develop by regulation a list of preferred prescription drugs to be used for the
3 Medicaid program. The Department is also required to establish a list of
4 prescription drugs that must be excluded from any restrictions that are imposed on
5 drugs that are on the list of preferred prescription drugs, including: (1) certain
6 antipsychotic medications; (2) prescription drugs that are prescribed for the
7 treatment of the human immunodeficiency virus or acquired immunodeficiency
8 syndrome; (3) anticonvulsant medications; (4) antirejection medications for organ
9 transplants; (5) antidiabetic medications; and (6) antihemophilic medications. (NRS
10 422.4025) **Section 1** of this bill eliminates the requirement that antipsychotic,
11 anticonvulsant and antidiabetic medications be on the list of drugs excluded from
12 the restrictions. **Section 1** further requires that certain medications within those
13 classes of prescription drugs as of June 30, 2010, and certain patients receiving
14 medications in those classes of prescription drugs as of June 30, 2010, continue to
15 receive coverage pursuant to the Medicaid program. This bill sunsets on June 30,
16 2011.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 422.4025 is hereby amended to read as follows:

422.4025 1. The Department shall, by regulation, develop a list of preferred prescription drugs to be used for the Medicaid program.

2. The Department shall, by regulation, establish a list of prescription drugs which must be excluded from any restrictions that are imposed on drugs that are on the list of preferred prescription drugs established pursuant to subsection 1. The list established pursuant to this subsection must include, without limitation:

(a) ~~Atypical and typical antipsychotic medications that are prescribed for the treatment of a mental illness of a patient who is receiving services pursuant to Medicaid;~~

~~(b)~~ Prescription drugs that are prescribed for the treatment of the human immunodeficiency virus or acquired immunodeficiency syndrome, including, without limitation, protease inhibitors and antiretroviral medications;

~~(c) Anticonvulsant medications;~~

~~(d)~~ (b) Antirejection medications for organ transplants;

~~(e) Antidiabetic medications;~~

~~(f)~~ (c) Antihemophilic medications; and

~~(g)~~ (d) Any prescription drug which the Committee identifies as appropriate for exclusion from any restrictions that are imposed on drugs that are on the list of preferred prescription drugs.

3. The regulations must provide that the Committee makes the final determination of:

(a) Whether a class of therapeutic prescription drugs is included on the list of preferred prescription drugs and is excluded from any restrictions that are imposed on drugs that are on the list of preferred prescription drugs;

(b) Which therapeutically equivalent prescription drugs will be reviewed for inclusion on the list of preferred prescription drugs and for exclusion from any restrictions that are imposed on drugs that are on the list of preferred prescription drugs; ~~and~~

(c) Which prescription drugs should be excluded from any restrictions that are imposed on drugs that are on the list of preferred prescription drugs based on continuity of care concerning a specific diagnosis, condition, class of therapeutic prescription drugs or medical specialty ~~H~~; and

(d) *The criteria for prescribing an atypical or typical antipsychotic medication, anticonvulsant medication or antidiabetic medication that is not on the list of preferred drugs to*



1 *a patient who experiences a therapeutic failure while taking a*
2 *prescription drug that is on the list of preferred prescription drugs.*

3 4. *Except as otherwise provided in this subsection, the list of*
4 *preferred prescription drugs established pursuant to subsection 1*
5 *must include, without limitation, every therapeutic prescription*
6 *drug that is classified as an anticonvulsant medication or*
7 *antidiabetic medication that was covered by the Medicaid program*
8 *on June 30, 2010. If a therapeutic prescription drug that is*
9 *included on the list of preferred prescription drugs pursuant to*
10 *this subsection is prescribed for a clinical indication other than*
11 *the indication for which it was approved as of June 30, 2010, the*
12 *Committee shall review the new clinical indication for that drug*
13 *pursuant to the provisions of subsection 5.*

14 5. The regulations *adopted pursuant to this section* must
15 provide that each new pharmaceutical product and each existing
16 pharmaceutical product for which there is new clinical evidence
17 supporting its inclusion on the list of preferred prescription drugs
18 must be made available pursuant to the Medicaid program with prior
19 authorization until the Committee reviews the product or the
20 evidence.

21 6. *The Medicaid program must make available without prior*
22 *authorization atypical and typical antipsychotic medications that*
23 *are prescribed for the treatment of a mental illness, anticonvulsant*
24 *medications and antidiabetic medications for a patient who is*
25 *receiving services pursuant to Medicaid if the patient:*

26 (a) *Was prescribed the prescription drug on or before June 30,*
27 *2010, and takes the prescription drug continuously, as prescribed,*
28 *on and after that date;*

29 (b) *Maintains continuous eligibility for Medicaid; and*

30 (c) *Complies with all other requirements of this section and*
31 *any regulations adopted pursuant thereto.*

32 **Sec. 2.** The Medicaid program shall continue to cover every
33 therapeutic prescription drug that is classified as an atypical or
34 typical antipsychotic medication that is prescribed for the treatment
35 of a mental illness of a patient who is receiving services pursuant to
36 Medicaid, anticonvulsant medication or antidiabetic medication
37 until the Department develops the lists of preferred prescription
38 drugs in accordance with NRS 422.4025, as amended by section 1
39 of this act.

40 **Sec. 3.** The Director of the Department of Health and Human
41 Services shall prepare a report on the status of the regulations
42 adopted pursuant to NRS 422.4025, as amended by section 1 of this
43 act, and the amount of money saved as a result of the amendatory
44 provisions of this act and submit the report:



- 1 1. On or before December 31, 2010, to the Director of the
- 2 Legislative Counsel Bureau for submission to the Legislature; and
- 3 2. On or before June 30, 2011, to the Interim Finance
- 4 Committee and the Legislative Committee on Health Care.
- 5 **Sec. 4.** This act becomes effective on July 1, 2010, and expires
- 6 by limitation on June 30, 2011.

