

SENATE BILL NO. 260—COMMITTEE ON
HUMAN RESOURCES AND EDUCATION

MARCH 22, 2005

Referred to Committee on Human Resources and Education

SUMMARY—Revises provisions concerning provision of prescription drugs pursuant to Medicaid program. (BDR 38-794)

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 public welfare; revising provisions concerning the provision of prescription drugs pursuant to the Medicaid program; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 422.403 is hereby amended to read as follows:
2 422.403 1. The Department shall, by regulation ~~[-, establish]~~ :
3 ***(a) Establish*** and manage the use by the Medicaid program of
4 step therapy and prior authorization for prescription drugs ~~[-]~~ ;
5 ***(b) Define the term “step therapy” as that term is used in this***
6 ***section; and***
7 ***(c) Ensure that the Drug Use Review Board bases its***
8 ***guidelines relating to step therapy on clinical evidence and best***
9 ***clinical practice guidelines without consideration of the cost of***
10 ***prescription drugs.***
11 2. The Drug Use Review Board shall:
12 (a) Advise the Department concerning the use by the Medicaid
13 program of step therapy and prior authorization for prescription
14 drugs;



1 (b) Develop step therapy protocols and prior authorization
2 policies and procedures for use by the Medicaid program for
3 prescription drugs; and

4 (c) Review and approve, based on clinical evidence and best
5 clinical practice guidelines and without consideration of the cost of
6 the prescription drugs being considered, step therapy protocols used
7 by the Medicaid program for prescription drugs.

8 3. The Department shall not require the Drug Use Review
9 Board to develop, review or approve prior authorization policies or
10 procedures necessary for the operation of the list of preferred
11 prescription drugs developed for the Medicaid program pursuant to
12 NRS 422.4025.

13 4. The Department shall accept recommendations from the
14 Drug Use Review Board as the basis for developing or revising step
15 therapy protocols and prior authorization policies and procedures
16 used by the Medicaid program for prescription drugs.

17 **Sec. 2.** This act becomes effective upon passage and approval.

