SENATE BILL NO. 419–COMMITTEE ON FINANCE

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MAY 4, 2009

Referred to Committee on Finance

SUMMARY—Revises provisions relating to prescription drugs used in the Medicaid program. (BDR 38-1174)

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 prescription drugs; revising provisions governing prescription drugs used in the Medicaid program; authorizing the addition of certain drugs to the list of preferred prescription drugs used in the program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Department of Health and Human Services to adopt regulations establishing a list of preferred prescription drugs to be used in the Medicaid program and provides that the Pharmacy and Therapeutics Committee makes the final determination of which drugs are included on the list. (NRS 422.4025) This bill authorizes the addition to the list of all drugs which, on July 1, 2009, are included within the classes of anticonvulsant medications and antidiabetic medications and are covered by the Medicaid program. Any new drug or drug with a new clinical indication that is included within either class after July 1, 2009, is subject to review by the Committee for inclusion on the list. This bill also authorizes the Committee to provide exceptions for the approval of atypical and typical antipsychotic medications and anticonvulsant medications which are not on the list if the use of a related drug on the list has resulted in a therapeutic failure (such as a patient experiencing an allergic reaction to a listed drug). In addition, this bill requires the Department to notify the Committee of each new pharmaceutical product which is added to any nationally recognized drug database that is used by the Medicaid program for the adjudication of pharmacy claims not later than 6 months after the inclusion of the product in the database.

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.

4. ***The regulations must require the Committee to consider the inclusion on the list of preferred prescription drugs all drugs which, on July 1, 2009, are included within the following classes***

of therapeutic prescription drugs and are covered by the Medicaid program:

(a) Anticonvulsant medications; and

(b) Antidiabetic medications.

➥ Any new drug or drug with a new clinical indication that is included within either of those classes of therapeutic prescription drugs after July 1, 2009, is subject to review by the Committee pursuant to subsection 7.

5. The regulations must provide that any recipient of Medicaid who, on July 1, 2009, is receiving any atypical or typical antipsychotic medication which is not on the list of preferred prescription drugs may, during the period that he remains continuously eligible for Medicaid, continue to receive the medication notwithstanding any revision to the list or any restriction which is imposed on drugs that are on the list.

6. The regulations must require the Committee to consider adding exception criteria for a drug which is not on the list of preferred prescription drugs if there is any therapeutic failure within the same class of therapeutic prescription drugs for:

(a) Atypical and typical antipsychotic medications;

(b) Anticonvulsant medications; or

(c) Antidiabetic medications.

7. The regulations must provide that each new pharmaceutical product and each existing pharmaceutical product for which there is new clinical evidence supporting its inclusion on the list of preferred prescription drugs must be made available pursuant to the Medicaid program with prior authorization until the Committee reviews the product or the evidence.

8. The Department shall notify the Committee of each new pharmaceutical product which is added to any nationally recognized drug database that is used by the Medicaid program for the adjudication of pharmacy claims not later than 6 months after the inclusion of the pharmaceutical product in the database.

Sec. 2. This act becomes effective upon passage and approval for the purpose of adopting regulations and on July 1, 2009, for all other purposes.

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