

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 2763

By: Lindley

COMMITTEE SUBSTITUTE

An Act relating to public health and safety; amending 63 O.S. 2001, Sections 5030.4 and 5030.5, which relate to the drug utilization review program; requiring guideline development based upon disease state management models; providing for components; prohibiting certain program expansions until a written estimate of savings is prepared by the Oklahoma Health Care Authority; providing for content; providing for submission; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 63 O.S. 2001, Section 5030.4, is amended to read as follows:

Section 5030.4 ~~1.~~ A. The Medicaid Drug Utilization Review Board shall develop and recommend to the Oklahoma Health Care Authority Board a retrospective and prospective drug utilization review program for medical outpatient drugs to ensure that prescriptions are appropriate, medically necessary, and not likely to result in adverse medical outcomes.

~~2.~~ B. The retrospective and prospective drug utilization review program shall be operated under guidelines established by the Medicaid Drug Utilization Review Board as follows:

~~a.~~

1. The retrospective and prospective drug utilization review program shall be based upon guidelines established by the Medicaid Drug Utilization Review Committee using disease state management

models. "Disease state management model" includes, but is not limited to:

- a. an integrated system of interventions, measurements and refinements of health care delivery designed to optimize clinical and economic outcomes within a specific population, and
- b. components including:
  - (1) patient education and involvement in self-care techniques,
  - (2) clinical policies/best practices that extend across the entire continuum of care,
  - (3) outpatient drug management,
  - (4) clinical information systems with the capacity to identify, classify, and track defined patient populations,
  - (5) informed support of physicians,
  - (6) team-oriented, multidisciplinary approach, and
  - (7) feedback or continuous review;

2. The retrospective drug utilization review program shall be based on guidelines established by the Medicaid Drug Utilization Review Board using the mechanized drug claims processing and information retrieval system to analyze claims data in order to:

- ~~(1)~~ a. identify patterns of fraud, abuse, gross overuse or underuse, and inappropriate or medically unnecessary care,
- ~~(2)~~ b. assess data on drug use against explicit predetermined standards that are based on the compendia and other sources for the purpose of monitoring:
  - ~~(a)~~ (1) therapeutic appropriateness,
  - ~~(b)~~ (2) overutilization or underutilization,
  - ~~(c)~~ (3) appropriate use of generic drugs,
  - ~~(d)~~ (4) therapeutic duplication,

- ~~(e)~~ (5) drug-disease contraindications
  - ~~(f)~~ (6) drug-drug interactions,
  - ~~(g)~~ (7) incorrect drug dosage,
  - ~~(h)~~ (8) duration of drug treatment, and
  - ~~(i)~~ (9) clinical abuse or misuse, and
- ~~(3)~~ c. introduce remedial strategies in order to improve the quality of care and to conserve program funds or personal expenditures.

~~b.~~ ~~(1)~~

3. a. The prospective drug utilization review program shall be based on guidelines established by the Medicaid Drug Utilization Review Board and shall provide that, before a prescription is filled or delivered, a review will be conducted by the pharmacist at the point of sale to screen for potential drug therapy problems resulting from:

- ~~(a)~~ (1) therapeutic duplication,
- ~~(b)~~ (2) drug-drug interactions,
- ~~(c)~~ (3) incorrect drug dosage or duration of drug treatment,
- ~~(d)~~ (4) drug-allergy interactions, and
- ~~(e)~~ (5) clinical abuse or misuse.

~~(2)~~ b. In conducting the prospective drug utilization review, a pharmacist may not alter the prescribed outpatient drug therapy without the consent of the prescribing physician or purchaser.

SECTION 2. AMENDATORY 63 O.S. 2001, Section 5030.5, is amended to read as follows:

Section 5030.5 A. Any drug prior authorization program approved or implemented by the Medicaid Drug Utilization Review Board shall meet the following conditions:

1. The Medicaid Drug Utilization Review Board shall make note of and consider information provided by interested parties, including, but not limited to, physicians, pharmacists, patients, and pharmaceutical manufacturers, related to the placement of a drug or drugs on prior authorization;

2. Any drug or drug class placed on prior authorization shall be reconsidered no later than twelve (12) months after such placement;

3. The program shall provide either telephone or fax approval or denial within twenty-four (24) hours after receipt of the prior authorization request; and

4. In an emergency situation, including a situation in which an answer to a prior authorization request is unavailable, a seventy-two-hour supply shall be dispensed, or, at the discretion of the Medicaid Drug Utilization Review Board, a greater amount that will assure a minimum effective duration of therapy for an acute intervention.

B. In formulating its recommendations for placement of a drug or drug class on prior authorization to the Oklahoma Health Care Authority Board, the Medicaid Drug Utilization Review Board shall:

1. Consider the potential impact of any administrative delay on patient care and the potential fiscal impact of such prior authorization on pharmacy, physician, hospitalization and outpatient costs. Any recommendation making a drug subject to placement on prior authorization shall be accompanied by a statement of the cost and clinical efficacy of such placement;

2. Provide a period for public comment on each meeting agenda. Prior to making any recommendations, the Medicaid Drug Utilization Review Board shall solicit public comment regarding proposed changes in the prior authorization program in accordance with the provisions of the Oklahoma Open Meeting Act and the Administrative Procedures Act; and

3. Review Oklahoma Medicaid specific data related to utilization criterion standards as provided in ~~subdivision a~~ division (1) of subparagraph b of paragraph 2 of subsection B of Section 4 5030.4 of this act title.

C. The Oklahoma Health Care Authority Board may accept or reject the recommendations of the Medicaid Drug Utilization Review Board in whole or in part, and may amend or add to such recommendations.

D. The Oklahoma Health Care Authority shall immediately provide coverage under prior authorization for any new drug approved by the United States Food and Drug Administration if the drug falls within a drug class that the Authority has already placed under prior authorization.

E. 1. Prior to the submission of any proposed expansion of the drug authorization program by the Oklahoma Health Care Authority, the Authority shall:

- a. prepare a written estimate of savings expected to accrue from the proposed expansion, and
- b. solicit a statement of concern or support from impacted, statewide advocacy organizations.

2. Except as prohibited by federal law, the written savings estimate prepared by the Authority for each impacted product shall include at a minimum:

- a. historical and prevailing prescription utilization, costs and rebates,
- b. forecast prescription utilization and rate of change, including forecast product switches,
- c. forecast cost increases or decreases and rate of change,
- d. forecast rebate increases or decreases and rates of change,

e. a profile of the patients taking the drugs. The profile shall include but not be limited to:

(1) the distribution of patients by age, eligibility category, nursing home care, and community-based waiver care, and

(2) medical problems of potentially impacted patients, as revealed by concomitant prescription drug therapy and claims on file for physician visits and hospital charges,

f. the nature, cost and probability of negative medical outcomes that might ensue, and

g. an itemized estimate of the administrative costs.

3. The Authority shall make the written savings estimate and the statement of concern or support from advocacy organizations available to members of the Medicaid Drug Utilization Review Board, and other interested persons upon request, not less than forty-five (45) days prior to the meeting at which the Board will vote on the drug prior authorization proposal.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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