COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB1128
Of the printed Bill

Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Dale Derby

Adopted: _____

_____
Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

PROPOSED
COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 1128 By: Yen of the Senate

and

Derby of the House

PROPOSED COMMITTEE SUBSTITUTE

[Uniform Controlled Dangerous Substances Act - electronic prescribing system - codification - effective date]

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316 of Title 63, unless there is created a duplication in numbering, reads as follows:

For the purposes of this act:

1. "Backward compatible" means that the newer version of a data transmission standard would retain, at a minimum, the full functionality of the versions previously adopted, and would permit the successful completion of the applicable transactions with entities that continue to use the older versions;

2. "Dispense" or "dispensing" has the meaning given in Section 353.1 of Title 59 of the Oklahoma Statutes. For the purposes of this act, dispensing does not include the direct administering of a controlled substance to a patient by a licensed health care professional;

3. "Dispenser" has the meaning given in Section 353.1 of Title 59 of the Oklahoma Statutes;

4. "E-prescribing" means the transmission using electronic media of prescription or prescription-related information between a prescriber, dispenser, pharmacy benefit manager or group purchaser, either directly or through an intermediary, including an e-prescribing network. E-prescribing includes, but is not limited to, two-way transmissions between the point of care and the dispenser and two-way transmissions related to eligibility, formulary and medication history information;

5. "Electronic prescription drug program" means a program that provides for e-prescribing;

6. "Group purchaser" means a person or organization that purchases health care services on behalf of an identified group of persons, regardless of whether the cost of coverage or services is paid for by the purchaser or by the persons receiving coverage or services. "Group purchaser" includes, but is not limited to, community-integrated service networks, health insurance companies, health maintenance organizations, nonprofit health service plan

corporations and other health plan companies, employee health plans offered by self-insured employers, trusts established in a collective bargaining agreement under the federal Labor-Management Relations Act of 1947, United States Code, Title 29, Section 141, et seq., group health coverage offered by fraternal organizations, professional associations or other organizations, state and federal health care programs, state and local public employee health plans, workers' compensation plans and the medical component of automobile insurance coverage;

7. "HL7 messages" means a standard approved by the standards development organization known as Health Level Seven;

8. "National Provider Identifier" or "NPI" means the identifier described under Code of Federal Regulations, Title 45, Part 162.406;

9. "NCPDP" means the National Council for Prescription Drug Programs, Inc;

10. "NCPDP Formulary and Benefits Standard" means the National Council for Prescription Drug Programs Formulary and Benefits Standard, Implementation Guide, Version 1, Release 0, October 2005;

11. "NCPDP SCRIPT Standard" means the National Council for Prescription Drug Programs Prescriber/Pharmacist Interface SCRIPT Standard, Implementation Guide Version 8, Release 1 (Version 8.1), October 2005, or the most recent standard adopted by the Centers for Medicare and Medicaid Services for e-prescribing under Medicare Part D as required by Section 1860D-4(e)(4)(D) of the Social Security Act

(2016), and regulations adopted under it. The standards shall be implemented according to the Centers for Medicare and Medicaid Services schedule for compliance. Subsequently released versions of the NCPDP SCRIPT Standard may be used, provided that the new version of the standard is backward compatible to the current version adopted by the Centers for Medicare and Medicaid Services;

12. "Pharmacy" has the meaning given in Section 353.1 of Title 59 of the Oklahoma Statutes;

13. "Prescriber" has the meaning given in Section 353.1 of Title 59 of the Oklahoma Statutes;

14. "Prescription-related information" means information regarding eligibility for drug benefits, medication history, or related health or drug information; and

15. "Provider" or "health care provider" means a licensed health care provider as defined in Section 1-1708.1C of Title 63 of the Oklahoma Statutes.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316.1 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Effective January 1, 2021, all providers, group purchasers, prescribers and dispensers shall establish, maintain and use an electronic prescription drug program. This program shall comply with the applicable standards in this act for transmitting, directly

or through an intermediary, prescriptions and prescription-related information using electronic media.

B. If transactions described in this act are conducted, they shall be done electronically using the standards described in this act. Nothing in this act requires providers, group purchasers, prescribers or dispensers to electronically conduct transactions that are expressly prohibited by other sections or federal law.

C. Providers, group purchasers, prescribers and dispensers shall use either HL7 messages or the NCPDP SCRIPT Standard to transmit prescriptions or prescription-related information internally when the sender and the recipient are part of the same legal entity. If an entity sends prescriptions outside the entity, it shall use the NCPDP SCRIPT Standard or other applicable standards required by this act. Any pharmacy within an entity shall be able to receive electronic prescription transmittals from outside the entity using the adopted NCPDP SCRIPT Standard. This exemption does not supersede any Health Insurance Portability and Accountability Act (HIPAA) requirement that may require the use of a HIPAA transaction standard within an organization.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316.2 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Prescribers and dispensers shall use the NCPDP SCRIPT Standard for the communication of a prescription or prescription-

related information. The NCPDP SCRIPT Standard shall be used to conduct the following:

1. Get message transactions;

2. Status response transactions;

3. Error response transactions;

4. New prescription transactions;

5. Prescription change request transactions;

6. Prescription change response transactions;

7. Refill prescription request transactions;

8. Refill prescription response transactions;

9. Verification transactions;

10. Password change transactions;

11. Cancel prescription request transactions; and

12. Cancel prescription response transaction.

B. Providers, group purchasers, prescribers, and dispensers shall use the NCPDP SCRIPT Standard for communicating and transmitting medication history information.

C. Providers, group purchasers, prescribers, and dispensers shall use the NCPDP Formulary and Benefits Standard for communicating and transmitting formulary and benefit information.

D. Providers, group purchasers, prescribers, and dispensers shall use the national provider identifier to identify a health care provider in e-prescribing or prescription-related transactions when a health care provider's identifier is required.

E. Providers, group purchasers, prescribers, and dispensers shall communicate eligibility information and conduct health care eligibility benefit inquiry and response transactions according to the requirements of this act.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316.3 of Title 63, unless there is created a duplication in numbering, reads as follows:

A pharmacist who receives a written, oral or facsimile prescription shall not be required to verify that the prescription falls under one of the exceptions provided in this act. A pharmacist may continue to dispense medications from otherwise valid written, oral or facsimile prescriptions that are consistent with current laws and regulations.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316.4 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The Commissioner of Health, in consultation with the State Board of Pharmacy, shall develop no later than July 1, 2020, a uniform formulary exception form that allows health care providers to request exceptions from group purchaser formularies using a uniform form. Upon development of the form, all health care providers shall submit requests for formulary exceptions using the uniform form, and all group purchasers shall accept this form from health care providers.

B. No later than January 1, 2020, the uniform formulary exception form shall be accessible and submitted by health care providers, and accepted and processed by group purchasers, through secure electronic transmissions.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316.5 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The Commissioner of Health, in consultation with the State Board of Pharmacy, shall, no later than February 15, 2019, identify an outline on how best to standardize drug prior authorization request transactions between providers and group purchasers with the goal of maximizing administrative simplification and efficiency in preparation for electronic transmissions.

B. No later than January 1, 2020, the State Board of Pharmacy shall develop the standard companion guide by which providers and group purchasers will exchange standard drug authorization requests using electronic data interchange standards, if available, with the goal of alignment with standards that are or will potentially be used nationally.

C. No later than January 1, 2021, drug prior authorization requests shall be accessible and submitted by health care providers, and accepted by group purchasers, electronically through secure electronic transmissions. Facsimile shall not be considered electronic transmission.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-316.6 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Subject to the availability of funds, there is hereby created the "Oklahoma Electronic Prescribing Pilot Program".

B. The State Board of Health and the Board of Pharmacy shall jointly develop and implement a pilot program in a county or counties having a population of more than two hundred thousand (200,000) according to the latest Federal Decennial Census to test initial standards and procedures for electronic prescribing. The pilot program shall study and measure the impact of electronic prescribing data transmission systems on patient safety and quality of care.

C. Electronic prescribing pursuant to the pilot program shall not interfere with the existing freedom of a patient to choose a pharmacy and shall not interfere with the prescribing decision at the point of care. The pilot program shall promote health care quality and the exchange of health care information consistent with applicable law including, but not limited to, applicable state and federal confidentiality and data security requirements and applicable state record retention and reporting requirements.

D. Participation in the Oklahoma Electronic Prescribing Pilot Program shall be voluntary to both the physician and patient on an encounter-by-encounter basis. Physicians with technological

limitations that are not reasonably within the control of the physician or who lack a computer or electronic records system shall be exempt from participation in the pilot program.

E. The State Board of Health and the Board of Pharmacy shall, on or before January 1, 2020, submit a report to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the Oklahoma State Senate and the Governor on the results of the pilot program and whether the pilot program should be extended for an additional year. This report shall include quantifiable data on all of the following:

1. The number of prescribers participating in the pilot program who currently use electronic prescribing;

2. The number of pharmacies participating in the pilot program;

3. The number and percentage of prescriptions sent electronically;

4. Expenditures on the pilot program;

5. Data on whether and to what extent the pilot program achieved the following goals:

a. reduced medication errors,

b. reduced prescription fraud, and

c. reduced health care costs including, but not limited to, inpatient hospitalization, by reducing medication errors, increasing patient medication compliance and identifying medication contraindications.

SECTION 8. This act shall become effective November 1, 2018.

56-2-10314 GRS 04/05/18