SLS 16RS-265 **REENGROSSED**

2016 Regular Session

SENATE BILL NO. 117

BY SENATOR MILLS

MEDICAID. Provides for the Medicaid Pharmaceutical and Therapeutics Committee. (gov sig)

AN ACT

To amend and reenact R.S. 46:153.3(B)(2)(a)(iv), the introductory paragraph of (D)(2), (D)(2)(c), (d), (e), (f), (g), (h), (k), and (p), and (D)(5)(b) and (c) and to repeal R.S. 46:153.3(B)(1)(b), (c), (d), and (e), (B)(2)(d), (B)(3) and (4), (C)(2) and (3), and (D)(5)(d) and (e), relative to the Medicaid Pharmaceutical and Therapeutics Committee; to remove legislative intent and expired implementation restrictions; to remove references to committees that no longer exist; to remove provisions that have been sunset by subsequent legislation; to change the Medicaid Pharmaceutical and Therapeutics Committee membership selection criteria; to change terminology; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 46:153.3(B)(2)(a)(iv), the introductory paragraph of (D)(2), (D)(2)(c), (d), (e), (f), (g), (h), (k), and (p), and (D)(5)(b) and (c) are hereby amended and reenacted to read as follows:

§153.3. Medical vendor reimbursements; allowable restrictions; peer-based prescribing and dispensing practice patterns; Medicaid Pharmaceutical and Therapeutics Committee

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B.

* * *

(2)(a)

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(iv) Involve medical personnel, including but not limited to pharmacists~~,~~ ~~pharmacy technicians, nurses,~~ and physicians.

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D.

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(2) Each nominating organization shall certify by affidavit that the practice of each nominee involves either the care of or the supervision of the care of no less than one hundred ~~fifty~~ Medicaid recipients. The committee shall be comprised of the following persons:

* * *

(c) One practicing physician who is participating in the Title XIX program as a family practitioner recommended ~~from a list of three names submitted~~ by the Louisiana State Medical Society.

(d) One practicing physician who is participating in the Title XIX program as an internal medicine specialist recommended ~~from a list of three names submitted~~ by the Louisiana State Medical Society.

(e) One practicing physician who is participating in the Title XIX program as a pediatrician recommended ~~from a list of three names submitted~~ by the Louisiana State Medical Society.

(f) One practicing physician who is participating in the Title XIX program as a surgeon recommended ~~from a list of three names submitted~~ by the Louisiana State Medical Society.

(g) One practicing physician who is participating in the Title XIX program as an obstetrics/gynecologist recommended ~~from a list of three names submitted~~ by

the Louisiana State Medical Society.

(h) Two practicing physicians who are participating in the Title XIX program recommended ~~from a list of six names submitted~~ by the Louisiana Medical Association.

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(k) Two practicing pharmacists who are participating in the Title XIX drug program ~~recommended from a list of six names submitted by the Louisiana Pharmacists Association~~. One pharmacist shall be an independent pharmacist **recommended by the Louisiana Independent Pharmacies Association** and one pharmacist shall be a pharmacist representing a chain pharmacy **recommended by the Louisiana Pharmacists Association**.

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(p) One practicing physician who is participating in the Title XIX program as a psychiatrist recommended ~~from a list of three names submitted~~ by the Louisiana Psychiatric Medical Association.

* * *

(5)

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(b) The committee shall be responsible for developing and maintaining a ~~pharmacopoeia~~ **preferred drug list** established in conjunction with a prior approval process as provided in Subparagraph (B)(2)(a) of this Section. The ~~pharmacopoeia~~ **preferred drug list** shall comply with all applicable state and federal laws, rules, and regulations. The committee may recommend additions and deletions to the ~~pharmacopoeia~~ **preferred drug list** and the ~~pharmacopoeia~~ **preferred drug list** may change in accordance with those recommendations. The committee shall also advise the secretary of the department on policy recommendations related to the prudent administration of the Medicaid drug program. The secretary shall assure that all actions of the committee comply with applicable state and federal laws, rules, and regulations prior to implementation or modification of the ~~pharmacopoeia~~ **preferred**

drug list. The clinical decisions regarding the preferred drug list shall be made transparent through a written report that is publicly available. If the decision of the Medicaid Pharmaceutical and Therapeutics Committee is contrary to the clinical evidence found in labeling, drug compendia, or peer review literature, such decisions shall be justified in writing.

(c) Any **new** drug approved by the United States Food and Drug Administration ~~shall~~ **may** be added to the ~~formulary~~ **preferred drug list** ~~as soon as~~ **when** it becomes commercially available **and the manufacturer enters into a federal medicaid drug rebate program if the department determines it is in the best interest of the medical assistance program**. The Medicaid Pharmaceutical and Therapeutics Committee shall conduct an evidence-based analysis of the drug to determine if the drug shall be maintained on the ~~formulary~~ **preferred drug list**. The analysis shall include but not be limited to the medical evidence of the clinical effectiveness of the drug as well as evidence of the cost-effectiveness of the drug in treating illness and disease. ~~The determination by the committee on any new drug approval by the United States Food and Drug Administration shall be made no later than ninety days after the drug becomes commercially available. Prior to a drug being prior authorized, it must have been reviewed by the Medicaid Pharmaceutical and Therapeutics Committee.~~ **When a new drug that is included in the Medicaid Pharmaceutical and Therapeutics Committee process is approved by the United States Food and Drug Administration, the drug shall be reviewed at the next Medicaid Pharmaceutical and Therapeutics Committee meeting.**

Section 2. R.S. 46:153.3(B)(1)(b), (c), (d), and (e), (B)(2)(d), (B)(3) and (4), (C)(2) and (3), and (D)(5)(d) and (e) are hereby repealed in their entirety.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

The original instrument was prepared by Christine Arbo Peck. The following digest, which does not constitute a part of the legislative instrument, was prepared by Mary Dozier O'Brien.

DIGEST

SB 117 Reengrossed 2016 Regular Session Mills

Present law includes legislative intent that was added in 2006 after implementation of Medicare Part D and post-Hurricane Katrina. Proposed law removes present law.

Present law includes a restriction on implementation of provisions of present law for a period of six months after June 13, 2001. Proposed law removes present law.

Present law includes provisions that were sunset by subsequent law. Proposed law removes the provisions that were sunset.

Present law requires membership of the committee to be selected from a list of three names submitted by each represented organization. Proposed law allows each represented organization to submit one name as their representative.

Present law provides that two practicing pharmacists shall be selected from a list of names submitted by the Louisiana Pharmacists Association. Proposed law changes the committee appointment members for the two practicing pharmacist positions to require that one member shall be an independent pharmacist recommended by the Louisiana Independent Pharmacies Association and one member shall be a pharmacist representing a chain pharmacy recommended by the Louisiana Pharmacists Association.

Present law refers to the Medicaid pharmacy drug list as a pharmacopia. Proposed law changes the reference to preferred drug list.

Present law provides that new drugs are available on the pharmacopia as soon as they are approved by the USDA and commercially available. Proposed law states that new drugs may be added when approved by the USDA and the manufacturer enters into a federal medicaid drug rebate program if the department determines it is in the best interest of the medical assistance program.

Proposed law clarifies that when a new drug reviewed by the committee is approved by the FDA, it shall be reviewed at the next committee meeting.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 46:153.3(B)(2)(a)(iv), (D)(2)(intro para), (D)(2)(c), (d), (e), (f), (g), (h), (k), and (p), and (D)(5)(b) and (c); repeals R.S. 46:153.3(B)(1)(b), (c), (d), and (e), (B)(2)(d), (B)(3) and (4), (C)(2) and (3), and (D)(5)(d) and (e))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to the original bill

1. Changes the committee appointment members for the two practicing pharmacist positions to require that one member shall be an independent pharmacist recommended by the Louisiana Independent Pharmacies Association and one member shall be a pharmacist representing a chain pharmacy recommended by the Louisiana Pharmacists Association.

2. Clarifies that when a new drug is approved by the FDA, it shall be reviewed for consideration by the committee at their next scheduled meeting for consideration of inclusion on the preferred drug list.

3. Makes technical changes.

Senate Floor Amendments to engrossed bill

1. Adopted amendments from Legislative Bureau note that were purely technical.