The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Christopher D. Adams.

DIGEST

Proposed law creates within the Department of Health and Hospitals the Medicaid Managed Care Pharmaceutical and Therapeutics Committee.

Proposed law provides for provider credentialing. Proposed law requires managed care organizations requiring a health care provider to be credentialed, recredentialed, or approved prior to rendering health care services to a Medicaid recipient within 90 days from the date receiving the information needed for credentialing.

Proposed law provides for a managed care organization informing a applicant within 30 days of the date of the receipt of the application of all defects and reasons known for the application being deemed incorrectly completed.

Proposed law provides for a managed care organization informing an applicant in the event verification or a verification supporting statement not received within 60 days of the date of the managed care organization's request.

Proposed law provides for interim credentialing requirements.

Proposed law provides for prescription drug formularies by managed care organizations. Proposed law provides beginning January 1, 2014, all managed care organizations will provide as a pharmacy benefit the minimum drug pharmacopoeia in conjunction with a prior approval process developed and maintained by the Medicaid Managed Care Pharmaceutical and Therapeutics Committee pursuant to proposed law.

Proposed law creates within DHH the Medicaid Managed Care Pharmaceutical and Therapeutics Committee (committee). The committee shall be composed of:

(1) Two physicians nominated by each managed care organization with expertise in the area of pharmacology representing each managed care organization.

(2) 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 Academy of Family Physicians.

(3) 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.

(4) 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 Chapter of the American Academy of Pediatrics.

(5) One practicing physician who is participating in the Title XIX program as an obstetrics and gynecologist recommended from a list of three names submitted by the Louisiana Chapter of the American College of Obstetricians and Gynecologists.

(6) 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.

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

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

(9) The secretary of the Department of Health and Hospitals, or his designee.

(10) The director of the Medicaid program within the Department of Health and Hospitals, or his designee.

(11) The president of the Senate, or the president's designee.

(12) The speaker of the House of Representatives, or the speaker's designee.

(13) A Medicaid recipient enrolled with a prepaid entity.

Proposed law provides other physicians who participate in various subspecialties may act as consultants to the committee as needed. Proposed law provides the committee members will be appointed by the governor, confirmed by the Senate, and be representative of the state's geographic and demographic composition, including women and minorities.

Proposed law provides the committee's meeting will be open to the public and will have public comments. Proposed law provides the deadlines for the committee to make available meeting minutes and documents distributed to the committee during meetings.

Proposed law provides the committee may recommend additions and deletions to the pharmacopoeia.

Proposed law provides the committee may establish a drug list to be utilized by all managed care organizations that utilize a prior approval process or any other process or combination of processes that prove to be cost-effective in the medical assistance program. At a minimum any

prior approval process will meet all of the following criteria:

(1) Provide for a response by telephone or other form of telecommunication device within a maximum of 24 hours of a request for prior authorization.

(2) Provide for the dispensing of a minimum of a 72 hour supply of a covered outpatient prescription drug in an emergency situation as provided by federal rule or regulation.

(3) Comply with federal laws, rules, and regulations.

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

(5) Assure that a qualified, licensed physician is available for consultation during the prior approval process.

Proposed law provides any drug approved by the United States Food and Drug Administration will be added to the formulary as soon as it becomes commercially available. Proposed law provides the committee will conduct an evidence-based analysis of the drug to determine if the drug will be maintained on the formulary. Proposed law provides prior to a drug being prior authorized, the committee will review.

Proposed law provides DHH will not implement the pharmacopoeia authorized by the proposed law until the initial pharmacopoeia is submitted to and approved by the Senate and House committees on health and welfare. Proposed law provides the Senate and House committees on health and welfare may only approve or reject the pharmacopoeia and may not add specific drugs to or delete specific drugs from the pharmacopoeia.

Proposed law provides DHH will be authorized to promulgate rules and regulations in accordance with the Administrative Procedure Act to implement the proposed law.

Proposed law provides beginning January 1, 2014, managed care organizations shall utilize a single page prior authorization form promulgated, pursuant to the Administrative Procedure Act, by DHH.

Proposed law provides managed care organizations utilizing step therapy or fail first protocols will comply with the proposed law. Proposed law provides when medications for the treatment of any medical condition will be restricted for use by a managed care organization by a step therapy or fail first protocol, the prescribing physician will be provided with and have access to a clear and convenient process to request an override. Proposed law provides an override will be granted under the following circumstances:

(1) The prescribing physician demonstrates to the managed care organization, based on sound clinical evidence, the preferred treatment required under step therapy or fail first protocol has been ineffective in the treatment of the Medicaid enrollee's disease or medical

condition.

(2) The prescribing physician demonstrates to the managed care organization, based on sound clinical evidence, the preferred treatment required under the step therapy or fail first protocol is reasonably expected to be ineffective based on the known relevant physical or mental characteristics and medical history of the Medicaid enrollee and known characteristics of the drug regimen.

(3) The prescribing physician demonstrates to the managed care organization, based on sound clinical evidence, the preferred treatment required under the step therapy or fail first protocol causes or likely causes an adverse reaction or other physical harm to the Medicaid enrollee.

Proposed law provides the duration of any step therapy or fail first protocol will not be longer than the customary period for the medication when such treatment is demonstrated by the prescribing physician to be clinically ineffective.

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

(Adds R.S. 36:259(D)(10) and R.S. 46:460.31-460.53)