

SENATE BILL No. 823

February 14, 2018, Introduced by Senator O'BRIEN and referred to the Committee on Health Policy.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending section 109h (MCL 400.109h), as added by 2004 PA 248.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 109h. (1) If the department ~~of community health~~ develops
2 a prior authorization process for prescription drugs as part of the
3 pharmaceutical services offered under the medical assistance
4 program administered under this act, it shall not require prior
5 authorization for the following single source brand name, generic
6 equivalent of a multiple source brand name, or other prescription
7 drugs:

8 (a) A central nervous system prescription drug that is
9 classified as an anticonvulsant, antidepressant, antipsychotic, or
10 a noncontrolled substance antianxiety drug in a generally accepted
11 standard medical reference.

1 (b) A prescription drug that is cross-indicated for a central
2 nervous system drug exempted under subdivision (a) as documented in
3 a generally accepted standard medical reference.

4 (c) Unless the prescription drug is a controlled substance or
5 the prescription drug is being prescribed to treat a condition that
6 is excluded from coverage under this act, a prescription drug that
7 is recognized in a generally accepted standard medical reference as
8 effective in the treatment of conditions specified in the most
9 recent diagnostic and statistical manual of mental disorders

10 published by the American ~~psychiatric association.~~ **PSYCHIATRIC**
11 **ASSOCIATION.** The department or the department's agent shall not
12 deny a request for prior authorization of a controlled substance
13 under this subdivision unless the department or the department's
14 agent determines that the controlled substance or the dosage of the
15 controlled substance being prescribed is not consistent with its
16 licensed indications or with generally accepted medical practice as
17 documented in a standard medical reference.

18 (d) A prescription drug that is recognized in a generally
19 accepted standard medical reference for the treatment of and is
20 being prescribed to a patient for the treatment of any of the
21 following:

22 (i) Human immunodeficiency virus infections or the
23 complications of the human immunodeficiency virus or acquired
24 immunodeficiency syndrome.

25 (ii) Cancer.

26 (iii) Organ replacement therapy.

27 (iv) Epilepsy or seizure disorder.

1 (2) This section does not apply to drugs **FOR THE TREATMENT OF**
2 **CANCER** being provided under a contract between the department and a
3 health maintenance organization.

4 (3) As used in this section:

5 (a) "Controlled substance" means that term as defined in
6 section 7104 of the public health code, 1978 PA 368, MCL 333.7104.

7 (b) "Cross-indicated" means a drug ~~which~~ **THAT** is used for a
8 purpose generally held to be reasonable, appropriate, and within
9 community standards of practice even though the use is not included
10 in the ~~federal food and drug administration's~~ **UNITED STATES FOOD**
11 **AND DRUG ADMINISTRATION'S** approved labeled indications for that
12 drug.

13 (c) "Department" means the department of ~~community health~~ **AND**
14 **HUMAN SERVICES**.

15 (d) "Prescriber" means that term as defined in section 17708
16 of the public health code, 1978 PA 368, MCL 333.17708.

17 (e) "Prescription" or "prescription drug" means that term as
18 defined in section 17708 of the public health code, 1978 PA 368,
19 MCL 333.17708.

20 (f) "Prior authorization" means a process implemented by the
21 department of ~~community health~~ that conditions, delays, or denies
22 the delivery of particular pharmaceutical services to ~~medicaid~~
23 **MEDICAL ASSISTANCE** beneficiaries upon application of predetermined
24 criteria by the department or the department's agent for those
25 pharmaceutical services covered by the department on a fee-for-
26 service basis or ~~pursuant~~ **ACCORDING** to a contract for those
27 services. The process may require a prescriber to verify with the

1 department or the department's agent that the proposed medical use
2 of a prescription drug being prescribed for a patient meets the
3 predetermined criteria for a prescription drug that is otherwise
4 covered under this act or require a prescriber to obtain
5 authorization from the department or the department's agent before
6 prescribing or dispensing a prescription drug that is not included
7 on a preferred drug list or that is subject to special access or
8 reimbursement restrictions.

9 Enacting section 1. This amendatory act takes effect 90 days
10 after the date it is enacted into law.