Senator Wiklund from the Committee on Health and Human Services, to which was referred

S.F. No. 1129: A bill for an act relating to human services; modifying the membership of the Formulary Committee; modifying the procedure for making changes to the preferred drug list; making related changes; amending Minnesota Statutes 2022, section 256B.0625, subdivisions 13c, 13g.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, delete "six" and insert "four"

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 2022, section 256B.0625, subdivision 13f, is amended to read:

Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and recommend drugs which require prior authorization. The Formulary Committee shall establish general criteria to be used for the prior authorization of brand-name drugs for which generically equivalent drugs are available, but the committee is not required to review each brand-name drug for which a generically equivalent drug is available.

(b) Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The Formulary Committee may recommend drugs for prior authorization directly to the commissioner. The commissioner may also request that the Formulary Committee review a drug for prior authorization. Before the commissioner may require prior authorization for a drug:

(1) the commissioner must provide information to the Formulary Committee on the impact that placing the drug on prior authorization may have on the quality of patient care and on program costs, information regarding whether the drug is subject to clinical abuse or misuse, and relevant data from the state Medicaid program if such data is available;

(2) the Formulary Committee must review the drug, taking into account medical and clinical data and the information provided by the commissioner; and

(3) the Formulary Committee must hold a public forum and receive public comment for an additional 15 days.

The commissioner must provide a 15-day notice period before implementing the prior authorization.

(c) Except as provided in subdivision 13j, prior authorization shall not be required or utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness if:

(1) there is no generically equivalent drug available; and

(2) the drug was initially prescribed for the recipient prior to July 1, 2003; or

(3) the drug is part of the recipient's current course of treatment.

This paragraph applies to any multistate preferred drug list or supplemental drug rebate program established or administered by the commissioner. Prior authorization shall automatically be granted for 60 days for brand name drugs prescribed for treatment of mental illness within 60 days of when a generically equivalent drug becomes available, provided that the brand name drug was part of the recipient's course of treatment at the time the generically equivalent drug became available.

(d) Prior authorization shall not be required or utilized for:

(1) any liquid form of a medication for a patient who utilizes tube feedings of any kind, even if such patient has or had any paid claims for pills; and

(2) liquid methadone. If more than one version of liquid methadone is available, the commissioner shall select the version of liquid methadone that does not require prior authorization.

This paragraph applies to any multistate preferred drug list or supplemental drug rebate program established or administered by the commissioner.

(e) The commissioner may require prior authorization for brand name drugs whenever a generically equivalent product is available, even if the prescriber specifically indicates "dispense as written-brand necessary" on the prescription as required by section 151.21, subdivision 2.

~~(e)~~ (f) Notwithstanding this subdivision, the commissioner may automatically require prior authorization, for a period not to exceed 180 days, for any drug that is approved by the United States Food and Drug Administration on or after July 1, 2005. The 180-day period begins no later than the first day that a drug is available for shipment to pharmacies within the state. The Formulary Committee shall recommend to the commissioner general criteria to be used for the prior authorization of the drugs, but the committee is not required to review each individual drug. In order to continue prior authorizations for a drug after the 180-day period has expired, the commissioner must follow the provisions of this subdivision.

~~(f)~~ (g) Prior authorization under this subdivision shall comply with section 62Q.184.

~~(g)~~ (h) Any step therapy protocol requirements established by the commissioner must comply with section 62Q.1841."

Page 2, line 18, after "contract" insert "with the vendor" and after "disclosed" insert "on the website of the Department of Human Services"

Page 2, line 23, after "public" insert "on the website of the Department of Human Services"

Page 3, line 23, delete "45" and insert "30"

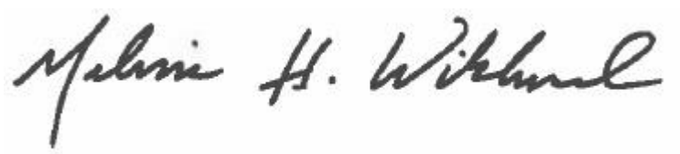
Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "Committee;" insert "modifying prior authorization requirements;"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on State and Local Government and Veterans. Amendments adopted. Report adopted.



.....
(Committee Chair)

February 28, 2023.....
(Date of Committee recommendation)