Prior Authorization Requirements Removed for Specific Drugs for Your HAP Empowered Patients

Effective June 8, 2022, per State of Michigan Senate Bill No. 412, prior authorization requirements have been removed for drugs in the following classes:

- Cancer
- Organ replacement therapy
- Epilepsy or seizure disorder
- Opioid withdrawal symptom management

This applies for drugs administered through the pharmacy benefit and for medical injectable drugs.

Claims for drugs in these protected classes will be approved according to reasonable, appropriate payment parameters (e.g., age, diagnosis, amounts, etc.) that align with a drug's U.S. Food and Drug Administration's approved labeled indications to:

- Prevent fraud, waste, and abuse
- Be reasonable, appropriate, and within community standards of practice

Please see attached Senate Bill No. 412 for more details.

Act No. 19
Public Acts of 2022
Approved by the Governor
March 10, 2022
Filed with the Secretary of State
March 10, 2022
EFFECTIVE DATE: June 8, 2022

STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022

Introduced by Senators Hertel, Bullock, Wojno, Santana, Chang, Geiss, Bizon, MacDonald, Irwin, LaSata, Ananich and Schmidt

ENROLLED SENATE BILL No. 412

AN ACT to amend 1939 PA 280, entitled "An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates," by amending section 109h (MCL 400.109h), as added by 2004 PA 248.

The People of the State of Michigan enact:

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

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

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

(c) Unless the prescription drug is a controlled substance or the prescription drug is being prescribed to treat a condition that is excluded from coverage under this act, a prescription drug that is recognized in a generally accepted standard medical reference as effective in the treatment of conditions specified in the most recent diagnostic and statistical manual of mental disorders published by the American Psychiatric Association, including substance use disorder. The department or the department's agent shall not deny a request for prior authorization of a controlled substance under this subdivision unless the department or the department's agent determines that the controlled substance or the dosage of the controlled substance being prescribed is not consistent with its licensed indications or with generally accepted medical practice as documented in a standard medical reference.

(d) A prescription drug that is recognized in a generally accepted standard medical reference to prevent acquisition of or to treat human immunodeficiency virus infection or complication of the human immunodeficiency virus or acquired immunodeficiency syndrome.

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

(*i*) Cancer.

(*ii*) Organ replacement therapy.

(*iii*) Epilepsy or seizure disorder.

(*iv*) Opioid withdrawal symptom management.

(2) This section applies to drugs being provided under a contract between the department and a health maintenance organization.

(3) This section does not prohibit the department from contracting with a managed care organization for pharmaceutical services offered under the medical assistance program administered under this act as long as the contract complies with the provisions of this section.

(4) As used in this section:

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

(b) "Cross-indicated" means a drug that is used for a purpose generally held to be reasonable, appropriate, and within community standards of practice even though the use is not included in the United States Food and Drug Administration's approved labeled indications for that drug.

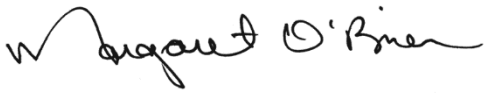
(c) "Prescriber" means that term as defined in section 17708 of the public health code, 1978 PA 368, MCL 333.17708.

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

(e) "Prior authorization" means a process implemented by the department that conditions, delays, or denies the delivery of particular pharmaceutical services to Medicaid beneficiaries upon application of predetermined criteria by the department or the department's agent for those pharmaceutical services covered by the department on a fee-for-service basis or according to a contract for those services. The process may require a prescriber to verify with the department or the department's agent that the proposed medical use of a prescription drug being prescribed for a patient meets the predetermined criteria for a prescription drug that is otherwise covered under this act or require a prescriber to obtain authorization from the department or the department's agent before prescribing or dispensing a prescription drug that is not included on a preferred drug list or that is subject to special access or reimbursement restrictions.

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

This act is ordered to take immediate effect.



Secretary of the Senate

Clerk of the House of Representatives

Approved_____

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Governor