S T A T E O F N E W Y O R K

7762

I N S E N A T E

May 12, 2016

Introduced by Sen. HANNON -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the public health law, in relation to directing the department of health to make bi-annual assessments of non-preferred drugs for recipients of medical assistance and to submit an annual report to the legislature thereon

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 272 of the public health law is amended by adding a new subdivision 15 to read as follows:

15.(A) IN MEDICAID FEE-FOR-SERVICE, THE DEPARTMENT SHALL MAKE BI-ANNUAL ASSESSMENTS OF NON-PREFERRED DRUGS IN THE BEST CLINICAL INTERESTS OF NEW YORK MEDICAID BENEFICIARIES. SUCH DEPARTMENT SHALL INCLUDE, AT THE MANUFACTURER'S OPTION, A NON-PREFERRED DRUG AS A PREFERRED DRUG WHEN AT LEAST THIRTY-FIVE PERCENT OF PRESCRIPTIONS FILLED IN THAT DRUG'S CLASS IN THE PREVIOUS TWO QUARTERS WERE FOR A NON-PREFERRED DRUG ON THE PREFERRED DRUG LIST, PROVIDED THAT THE MANUFACTURER OF SUCH PREVIOUSLY NON-PREFERRED DRUG AGREES TO THE REBATE REQUIRED UNDER SECTION 1927 OF THE SOCIAL SECURITY ACT AND AN ADDITIONAL SUPPLEMENTAL REBATE. THE DEPARTMENT AND THE MANUFACTURER MAY NEGOTIATE THE ALTERNATIVE SUPPLEMENTAL REBATE. THE PREVIOUSLY NON-PREFERRED DRUG SHALL NOT BE DISADVANTAGED, INCLUDING BUT NOT LIMITED TO IMPOSING PRIOR AUTHORIZATION OR UTILIZATION MANAGEMENT REQUIREMENTS, RELATIVE TO THE OTHER PREFERRED DRUGS IN ITS CLASS OTHER THAN WHAT IS REQUIRED BY THE FDA-APPROVED LABEL.

(B) THE DEPARTMENT SHALL PROVIDE AN ANNUAL REPORT TO THE LEGISLATURE THAT OUTLINES, WITH RESPECT TO ANY DRUG CLASS ON THE PREFERRED DRUG LIST IN WHICH ONLY A SINGLE THERAPEUTIC PATHWAY, WHICH MAY INVOLVE ONE OR MORE DRUGS PRESCRIBED IN COMBINATION FOR THE SAME PATIENT, IS PREFERRED, THE FINANCIAL IMPACT OF THE STATE'S PREFERRED DRUG LIST DECISION, THE CLINICAL EVIDENCE THE STATE RELIED ON IN ESTABLISHING PREFERENCES FOR THE CLASS, AND THE CLINICAL CRITERIA THAT PERMIT BENEFICIARIES TO ACCESS NON-PREFERRED DRUGS IN SUCH A CLASS.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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