S-4309.1

SUBSTITUTE SENATE BILL 5794

State of Washington 67th Legislature 2022 Regular Session

By Senate Ways & Means (originally sponsored by Senators Dhingra, Kuderer, Frockt, Hasegawa, Lovelett, Randall, Van De Wege, and C. Wilson)

READ FIRST TIME 02/07/22.

AN ACT Relating to continuity of coverage for prescription drugs prescribed for the treatment of behavioral health conditions; amending RCW 69.41.190; and adding a new section to chapter 48.43 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 48.43 7 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, for 8 9 health plans that include prescription drug coverage issued or renewed on or after January 1, 2023, a health carrier may not require 10 11 the substitution of a nonpreferred drug with a preferred drug in a 12 given therapeutic class, or increase an enrollee's cost-sharing 13 obligation mid-plan year for the drug, if the prescription is for a 14 refill of a prescription drug used for the assessment and treatment of a mental health condition, the enrollee is medically stable on the 15 16 drug, and a participating provider continues to prescribe the drug.

17 (2) Nothing in this section prohibits:

(a) The carrier from requiring generic substitution during thecurrent plan year;

20 (b) The carrier from adding new drugs to its formulary during the 21 current plan year, as long as the changed formulary applies only to

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1 new prescriptions and not existing prescriptions in violation of 2 subsection (1) of this section;

3 (c) The carrier from removing a drug from its formulary for 4 reasons of patient safety concerns, drug recall or removal from the 5 market, or medical evidence indicating no therapeutic effect of the 6 drug; or

7 (d) A participating provider from prescribing a different drug 8 that is covered by the plan and medically appropriate for the 9 enrollee.

10 Sec. 2. RCW 69.41.190 and 2011 1st sp.s. c 15 s 80 are each 11 amended to read as follows:

(1) (a) Except as provided in subsection (2) of this section, any 12 13 pharmacist filling a prescription under a state purchased health care program as defined in RCW $41.05.011((\frac{1}{2}))$ shall substitute, where 14 15 identified, a preferred drug for any nonpreferred drug in a given 16 therapeutic class, unless the endorsing practitioner has indicated on 17 the prescription that the nonpreferred drug must be dispensed as written, or the prescription is for a refill of an antipsychotic, 18 antidepressant, antiepileptic, chemotherapy, antiretroviral, or 19 immunosuppressive drug, or for the refill of a immunomodulator/ 20 21 antiviral treatment for hepatitis C for which an established, fixed duration of therapy is prescribed for at least twenty-four weeks but 22 no more than forty-eight weeks, in which case the pharmacist shall 23 24 dispense the prescribed nonpreferred drug.

(b) When a substitution is made under (a) of this subsection, the dispensing pharmacist shall notify the prescribing practitioner of the specific drug and dose dispensed.

(2) (a) A state purchased health care program may impose limited restrictions on an endorsing practitioner's authority to write a prescription to dispense as written only under the following circumstances:

32 (i) There is statistical or clear data demonstrating the 33 endorsing practitioner's frequency of prescribing dispensed as 34 written for nonpreferred drugs varies significantly from the 35 prescribing patterns of his or her peers;

36 (ii) The medical director of a state purchased health program 37 has: (A) Presented the endorsing practitioner with data that 38 indicates the endorsing practitioner's prescribing patterns vary 39 significantly from his or her peers, (B) provided the endorsing

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1 practitioner an opportunity to explain the variation in his or her 2 prescribing patterns to those of his or her peers, and (C) if the 3 variation in prescribing patterns cannot be explained, provided the 4 endorsing practitioner sufficient time to change his or her 5 prescribing patterns to align with those of his or her peers; and

6 (iii) The restrictions imposed under (a) of this subsection (2) 7 must be limited to the extent possible to reduce variation in 8 prescribing patterns and shall remain in effect only until such time 9 as the endorsing practitioner can demonstrate a reduction in 10 variation in line with his or her peers.

11 (b) A state purchased health care program may immediately 12 designate an available, less expensive, equally effective generic 13 product in a previously reviewed drug class as a preferred drug, 14 without first submitting the product to review by the pharmacy and 15 therapeutics committee established pursuant to RCW 70.14.050.

16 (c) For a patient's first course of treatment within a 17 therapeutic class of drugs, a state purchased health care program may 18 impose limited restrictions on endorsing practitioners' authority to 19 write a prescription to dispense as written, only under the following 20 circumstances:

(i) There is a less expensive, equally effective therapeuticalternative generic product available to treat the condition;

(ii) The drug use review board established under WAC 388-530-4000 reviews and provides recommendations as to the appropriateness of the limitation;

(iii) Notwithstanding the limitation set forth in (c)(ii) of this subsection (2), the endorsing practitioner shall have an opportunity to request as medically necessary, that the brand name drug be prescribed as the first course of treatment;

30 (iv) The state purchased health care program may provide, where 31 available, prescription, emergency room, diagnosis, and 32 hospitalization history with the endorsing practitioner; and

(v) Specifically for antipsychotic restrictions, the state purchased health care program shall effectively guide good practice without interfering with the timeliness of clinical decision making. Health care authority prior authorization programs must provide for responses within twenty-four hours and at least a seventy-two hour emergency supply of the requested drug.

39 (d) If, within a therapeutic class, there is an equally effective40 therapeutic alternative over-the-counter drug available, a state

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purchased health care program may designate the over-the-counter drug
as the preferred drug.

3 (e) A state purchased health care program may impose limited 4 restrictions on endorsing practitioners' authority to prescribe 5 pharmaceuticals to be dispensed as written for a purpose outside the 6 scope of their approved labels only under the following 7 circumstances:

8 (i) There is a less expensive, equally effective on-label product 9 available to treat the condition;

10 (ii) The drug use review board established under WAC 388-530-4000 11 reviews and provides recommendations as to the appropriateness of the 12 limitation; and

(iii) Notwithstanding the limitation set forth in (e)(ii) of this subsection (2), the endorsing practitioner shall have an opportunity to request as medically necessary, that the drug be prescribed for a covered off-label purpose.

(f) The provisions of this subsection related to the definition of medically necessary, prior authorization procedures and patient appeal rights shall be implemented in a manner consistent with applicable federal and state law.

21 (3) Notwithstanding the limitations in subsection (2) of this 22 section, for refills for an antipsychotic, antidepressant, antiepileptic, chemotherapy, antiretroviral, or immunosuppressive 23 drug, or for the refill of an immunomodulator antiviral treatment for 24 25 hepatitis C for which an established, fixed duration of therapy is 26 prescribed for at least twenty-four weeks by no more than forty-eight 27 weeks, the pharmacist shall dispense the prescribed nonpreferred 28 drug.

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