SENATE BILL NO. 812

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS SCHAEFER, CHAPPELLE-NADAL, SCHMITT, RICHARD, ENGLER, PARSON, MAYER, CURLS, LAMPING, SCHAAF, KEAVENY AND DEMPSEY.

Read 1st time February 16, 2012, and ordered printed.

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TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 338, RSMo, by adding thereto one new section relating to the Missouri electronic prior authorization committee.

Be it enacted by the General Assembly of the State of Missouri, as follows:

and effective as soon as practically possible.

Section A. Chapter 338, RSMo, is amended by adding thereto one new 2 section, to be known as section 338.320, to read as follows:

2 Prior Authorization Committee" in order to facilitate, monitor, and report to the general assembly on Missouri-based efforts to contribute to the establishment of national electronic prior authorization standards. Such efforts shall include the Missouri-based electronic prior authorization pilot program established under this section and the study and dissemination of information by the committee of the efforts of the National Council on Prescription Drug Programs (NCPDP) to develop national electronic prior authorization standards that shall be promulgated by the appropriate Missouri administrative regulations

12 2. In consultation with the department of insurance, financial institutions and professional registration and the Missouri electronic 14 prior authorization committee, a Missouri-based pharmacy benefits manager doing business nationally shall conduct an electronic prior 15 authorization pilot program in Missouri, provided that there are 16 adequate Missouri licensed physicians and an electronic prior 17authorization vendor capable and willing to participate in a Missouri-18 based pilot program. Such pilot program established under this section 19 shall be operational by January 1, 2014.

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- 3. The Missouri electronic prior authorization committee shall consist of the following members:
- 23 (1) Two members of the senate, appointed by the president pro 24 tempore of the senate;
- 25 (2) Two members of the house of representatives, appointed by 26 the speaker of the house of representatives;
- 27 (3) One member from an organization of licensed physicians in 28 the state;
- 29 (4) One member who is a physician licensed in Missouri pursuant 30 to chapter 334;
- 31 (5) One member who is a Missouri pharmacy benefit management 32 company;
- 33 (6) One member from an organization representing licensed 34 pharmacists in the state;
- 35 (7) One member from the business community representing 36 businesses on health insurance issues;
- 37 (8) One member from an organization representing the leading 38 research-based pharmaceutical and biotechnology companies;
- 39 (9) One patient advocate;
- 40 (10) One member from an electronic prescription network that 41 facilitates the secure electronic exchange of clinical information 42 between physicians, pharmacies, payers, and pharmacy benefit 43 managers and other health care providers;
- 44 (11) One member from a Missouri health information technology 45 company;
- 46 (12) One member from an organization representing the largest 47 number of hospitals in the state;
- 48 (13) One member from a health carrier as such term is defined 49 under section 376.1350;
- 50 (14) One member from an organization representing the largest 51 number of health carriers in the state, as such term is defined under 52 section 376.1350;
- 53 (15) The director of the department of insurance, financial institutions and professional registration, who shall be chair of the committee.
- 4. All of the members, except for the members from the general assembly, shall be appointed by the governor no later than September

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1, 2012. The staff of the department of insurance, financial institutions and professional registration shall provide assistance to the committee, including with the adoption of the NCPDP national electronic prior authorization standards.

- 5. The duties of the committee shall be as follows:
- 63 (1) Monitor and report to the general assembly on the Missouri-64 based electronic prior authorization pilot program created under this 65 section;
 - (2) Obtain specific updates from the NCPDP and other pharmacy benefit managers and vendors that are currently engaged in pilot programs working toward national electronic prior authorization standards;
 - (3) Correspond and collaborate with the NCPDP and other working such pilots through the exchange of information and ideas;
 - (4) Targeting the development of the pilot program created under this section with an understanding of information on the success and failures of other pilot programs across the country;
 - (5) Prepare a report at the end of each calendar year to be distributed to the general assembly and governor with a summary of the committee's progress and plans for the next calendar year. Such annual report shall continue until such time as the NCPDP has established national electronic prior authorization standards;
 - (6) Upon the adoption of national electronic prior authorization standards by the NCPDP, prepare a final report to be distributed to the general assembly and governor that identifies the appropriate Missouri administrative regulations that will need to be promulgated in order to make those standards effective as soon as practically possible, and advise the general assembly and governor if there are any legislative actions necessary to the furtherance of that end.

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