

SENATE BILL REPORT

SB 5213

As of February 20, 2013

Title: An act relating to prescription review for medicaid managed care enrollees.

Brief Description: Concerning prescription review for medicaid managed care enrollees.

Sponsors: Senators Becker, Tom, Bailey, Honeyford and Frockt.

Brief History:

Committee Activity: Health Care: 2/05/13, 2/19/13 [DPS-WM].
Ways & Means: 2/25/13.

SENATE COMMITTEE ON HEALTH CARE

Majority Report: That Substitute Senate Bill No. 5213 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Becker, Chair; Dammeier, Vice Chair; Keiser, Ranking Member; Bailey, Cleveland, Ericksen, Frockt, Parlette and Schlicher.

Staff: Mich'l Needham (786-7442)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Michael Bezanson (786-7449)

Background: For fiscal year 2013, 63 percent, or approximately 780,000 of the 1.2 million Medicaid enrollees are forecasted to be enrolled in managed care. The Health Care Authority (HCA) estimates that 40,000 or 5 percent of enrollees in managed care have five or more prescriptions.

Under state law, HCA must adopt a uniform procedure to enter into contractual agreements with managed care plans. These procedures must follow certain provisions including provider reimbursement methods that incentivize chronic care management within health homes.

Summary of Bill (Recommended Substitute): By January 1, 2014, contracts for Medicaid-managed care plans must include a requirement that any patient with five or more medications be placed in a comprehensive medication management process with the primary

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care provider or a licensed pharmacist to verify that all the prescriptions are medically appropriate and to review for drug interactions and opportunities to reduce the number of prescriptions.

The Medicaid-managed care contract requirements for a health home are modified to include the comprehensive medication management process, relative to the provider reimbursement methods that incentivize chronic care management.

A comprehensive medication management process means utilizing a licensed pharmacist or primary care provider to assess patients taking five or more medications for two or more chronic medical conditions, with the following services:

- assessment of the patient's health status including the personal medications experience and use patterns of all prescribed and over-the-counter medication;
- documentation of the patient's current clinical status and clinical goals of therapy;
- assessment of each medication for appropriateness, effectiveness, safety, and adherence focusing on achievement of desired clinical goals;
- identification of all drug therapy problems including additions or deletions in medications or changes in dosage needed to meet desired clinical goals;
- development of a comprehensive medication therapy plan for the patient in consultation with the prescribing practitioner; and
- documentation and follow up of the effects of recommended drug therapy changes on the patient's clinical status and outcomes.

EFFECT OF CHANGES MADE BY HEALTH CARE COMMITTEE (Recommended Substitute): A definition for comprehensive medication management process with a licensed pharmacist or primary care provider is created; comprehensive medication management services are inserted into language regarding the provider incentives to manage chronic care within health homes; and the managed care contracts must include language by January 1, 2014 to include a comprehensive medication management process instead of the automatic review process, with a licensed pharmacist or the primary care provider to verify that the prescriptions are appropriate.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Health Care): PRO: Many patients with chronic health conditions end up on multiple medications that can have interactions and adverse reactions. It is important to have a review once per year of all the medications a patient is taking. Pharmacists are trained in managing medications – that is the true value they can add to health care. We need to rethink how we use pharmacists as part of the care team that more effectively manages the patient's medications. Medicare Part D requires a review of medications. It is important to provide more direction in the bill on prescription

review. Perhaps a clarifying amendment could define comprehensive medication management or medication therapy management as is used in Medicare Part D.

OTHER: We are a plan that participates in the Medicaid-managed care contracts and they already require the development of health homes and chronic care management. It might be more helpful to place the language in the health home section adding to the list of activities that providers are incented to manage. We agree this is the right idea but not the right context. Medication management is a critical piece of care management. It may be more appropriate to reference the activity within the health home requirements since that section includes the pharmacist as a part of the care team. The language could also be added to all HCA contracts with health home language. Medicare and Medicaid already require health records with the list of medications in the electronic health record and it is not clear that additional scrutiny is necessary. The threshold of five medications is too low and may sweep nearly everyone into a review, and the review may just create more paperwork.

Persons Testifying (Health Care): PRO: Senator Becker, prime sponsor; Jeff Rochon, WA State Pharmacy Assn.; Lisa Thatcher, GlaxoSmithKline.

OTHER: Dave Knutson, United Healthcare; Mary Clogston, WA Academy of Family Physicians; Leslie Emerick, Assn. of Advanced Practice Psychiatric Nurses.