

# SENATE BILL REPORT

## 2SSB 5213

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As Amended by House, April 16, 2013

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

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

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by 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, 2/28/13 [DP2S].

Passed Senate: 3/08/13, 49-0.

Passed House: 4/16/13, 96-0.

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### 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)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Second Substitute Senate Bill No. 5213 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Hill, Chair; Baumgartner, Vice Chair; Honeyford, Capital Budget Chair; Hargrove, Ranking Member; Nelson, Assistant Ranking Member; Bailey, Becker, Braun, Conway, Dammeier, Fraser, Hasegawa, Hatfield, Hewitt, Keiser, Kohl-Welles, Murray, Padden, Parlette, Ranker, Rivers, Schoesler and Tom.

**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

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(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 Second Substitute Bill:** HCA contracts for Medicaid-managed care plans must include a requirement that provides for reimbursement methods that incentivizes pharmacists and primary care providers licensed in Washington to provide comprehensive medication management services.

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.

**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.

**Staff Summary of Public Testimony on Substitute (Ways & Means):** PRO: Patients can be prescribed and take numerous medications. The over-utilization of drugs can cause serious health concerns. The bill addresses a huge need for and lack of communication across a wide array of medical providers. This is the first time that there will be standardization of a comprehensive review. There are technical changes that can be made to alleviate all stakeholders' concerns. Outcomes and benefits from the reduction of over-utilization will far outweigh any costs from this bill.

CON: We agree with the goals of the bill but the bill is over-prescriptive in how to perform the medication review and more flexibility is needed. The bill should work but it should not be duplicative of other efforts that are underway or are currently required. Not all providers are versed in prescription drugs in other fields such as psychiatric medicine and vice versa. This can be problematic.

**Persons Testifying (Ways & Means):** PRO: Senator Becker, prime sponsor; Jeff Rochon, WA State Pharmacy Assn.; Lisa Thatcher, GlaxoSmithKline.

CON: Mary Clogston, WA Academy of Family Physicians; Leslie Emerick, Assn. of Advanced Practice Psychiatric Nurses.

**House Amendment(s):** Legislative findings are made regarding chronic care management, including comprehensive medication management services, as a critical component of a collaborative approach to treating chronic disease to improve care and reduce cost.

The detailed definition of comprehensive medication management services is removed, and it is specified that the provision of comprehensive medication management services must be in alignment with the Legislative findings and goals.

Medicaid-managed care contracts must include evaluation and reporting on the impact of comprehensive medication management services on patient clinical outcomes and total health care costs.

The date for including comprehensive medication management services in Medicaid-managed care contracts is extended from January 1, 2014, to 2015. Medicaid-managed care contracts that include incentives to use comprehensive medication management services and evaluations of those services may not cost more than the rates that would have been paid without those provisions.