

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1827
96TH GENERAL ASSEMBLY

5967L.03C

D. ADAM CRUMBLISS, Chief Clerk

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:

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

**338.320. 1. There is hereby established the "Missouri Electronic Prior
2 Authorization Committee" in order to facilitate, monitor, and report to the general
3 assembly on Missouri-based efforts to contribute to the establishment of national electronic
4 prior authorization standards. Such efforts shall include the Missouri-based electronic
5 prior authorization pilot program established under this section and the study and
6 dissemination of information by the committee of the efforts of the National Council on
7 Prescription Drug Programs (NCPDP) to develop national electronic prior authorization
8 standards that shall be promulgated by the appropriate Missouri administrative
9 regulations and effective as soon as practically possible.**

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

**17 3. The Missouri electronic prior authorization committee shall consist of the
18 following members:**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 19 **(1) Two members of the senate, appointed by the president pro tempore of the**
20 **senate;**
- 21 **(2) Two members of the house of representatives, appointed by the speaker of the**
22 **house of representatives;**
- 23 **(3) One member from an organization of licensed physicians in the state;**
- 24 **(4) One member who is a physician licensed in Missouri pursuant to chapter 334;**
- 25 **(5) One member who is a Missouri pharmacy benefit management company;**
- 26 **(6) One member from an organization representing licensed pharmacists in the**
27 **state;**
- 28 **(7) One member from the business community representing businesses on health**
29 **insurance issues;**
- 30 **(8) One member from an organization representing the leading research-based**
31 **pharmaceutical and biotechnology companies;**
- 32 **(9) One patient advocate;**
- 33 **(10) One member from an electronic prescription network that facilitates the secure**
34 **electronic exchange of clinical information between physicians, pharmacies, payers, and**
35 **pharmacy benefit managers and other health care providers;**
- 36 **(11) One member from a Missouri-based electronic health records company;**
- 37 **(12) One member from an organization representing the largest number of**
38 **hospitals in the state;**
- 39 **(13) One member from a health carrier as such term is defined under section**
40 **376.1350;**
- 41 **(14) One member from an organization representing the largest number of health**
42 **carriers in the state, as such term is defined under section 376.1350;**
- 43 **(15) The director of the department of social services, or the director's designee;**
- 44 **(16) The director of the department of insurance, financial institutions and**
45 **professional registration, who shall be chair of the committee.**
- 46 **4. All of the members, except for the members from the general assembly, shall be**
47 **appointed by the governor no later than September 1, 2012. The staff of the department**
48 **of insurance, financial institutions and professional registration shall provide assistance**
49 **to the committee, including with the adoption of the NCPDP national electronic prior**
50 **authorization standards.**
- 51 **5. The duties of the committee shall be as follows:**
- 52 **(1) Monitor and report to the general assembly on the Missouri-based electronic**
53 **prior authorization pilot program created under this section;**

54 **(2) Obtain specific updates from the NCPDP and other pharmacy benefit managers**
55 **and vendors that are currently engaged in pilot programs working toward national**
56 **electronic prior authorization standards;**

57 **(3) Correspond and collaborate with the NCPDP and other working such pilots**
58 **through the exchange of information and ideas;**

59 **(4) Targeting the development of the pilot program created under this section with**
60 **an understanding of information on the success and failures of other pilot programs across**
61 **the country;**

62 **(5) Prepare a report at the end of each calendar year to be distributed to the**
63 **general assembly and governor with a summary of the committee's progress and plans for**
64 **the next calendar year. Such annual report shall continue until such time as the NCPDP**
65 **has established national electronic prior authorization standards;**

66 **(6) Upon the adoption of national electronic prior authorization standards by the**
67 **NCPDP, prepare a final report to be distributed to the general assembly and governor that**
68 **identifies the appropriate Missouri administrative regulations, if any, that will need to be**
69 **promulgated in order to make those standards effective as soon as practically possible, and**
70 **advise the general assembly and governor if there are any legislative actions necessary to**
71 **the furtherance of that end.**

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