

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Jewell**

A Bill

SENATE BILL 74

For An Act To Be Entitled

8 "AN ACT TO PROVIDE EQUAL ACCESS TO CARE UNDER THE ARKANSAS
9 MEDICAID PRESCRIPTION DRUG PROGRAM; AND FOR OTHER
10 PURPOSES."

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12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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14 SECTION 1. As used in this act:

15 (a) "Drug or pharmaceutical agent" means any legend drug approved by
16 the federal Food and Drug Administration, except any drug used for cosmetic
17 purposes.

18 (b) "Medicaid eligible" means any person qualified to receive
19 prescription drug coverage under the Arkansas Title XIX Program.

20 (c) "Medically necessary" means in accordance with an appropriate
21 treatment plan.

22 (d) "Medicaid formulary" means the list of drugs approved for
23 reimbursement by the Department of Human Services for the Arkansas
24 Medicaid Prescription Drug Program.

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26 *SECTION 2. All persons eligible for medical assistance benefits shall*
27 *have access to all pharmaceutical products for which there is federal*
28 *financial participation except those drugs which may be restricted under*
29 *Section 4401 of P. L. 101-458 (Omnibus Budget Reconciliation Act of 1990).*
30 *The Medicaid Formulary Advisory Committee shall review such restricted drugs*
31 *and recommend those appropriate for inclusion as a regular benefit or through*
32 *prior authorization. Nothing in this section shall prohibit the Department of*
33 *Human Services from establishing prior authorization for a drug product.*
34 *However, this procedure must meet all requirements of the Omnibus Budget*
35 *Reconciliation Act of 1990, and criteria for the prior authorization must be*

1 *determined by the Arkansas Medicaid Formulary Committee based on accepted*
2 *medical, clinical and pharmacoeconomic standards. The Committee shall develop*
3 *such medical and clinical criteria based on predetermined standards consistent*
4 *with the following: the American Hospital Formulary Service Drug Information,*
5 *the United States Pharmacopeia Drug Information, the American Medical*
6 *Association Drug Evaluations and peer-reviewed medical literature.*

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8 SECTION 3. Provisions of this Act of a general and permanent nature are
9 amendatory to the Arkansas Code of 1987 Annotated, and the Arkansas Code
10 Revision Commission shall incorporate the same in the Code.

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12 SECTION 4. If any provision of this Act or the application thereof to
13 any person or circumstance is held invalid, such invalidity shall not affect
14 other provisions or applications of the Act which can be given effect without
15 the invalid provision or application, and to this end the provisions of this
16 Act are declared to be severable.

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18 SECTION 5. All laws and parts of laws in conflict with this act are
19 hereby repealed.

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21 SECTION 6. Emergency. It is hereby found and determined by the General
22 Assembly that the biennial appropriation for the Medicaid Prescription Drug
23 Program goes into effect July 1, 1991 and that this act should become
24 effective at the beginning of the biennium. Therefore, an emergency is hereby
25 declared to exist and this act being immediately necessary for the
26 preservation of the public peace, health and safety shall be in full force and
27 effect from and after July 1, 1991.

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29 */s/Jewell*

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