

**[Ala. Code § 22-6-122.]**

**§ 22-6-122. Medicaid Pharmacy and Therapeutics Committee – Classification and recommendation of drugs; assurance of quality patient care; review of pharmaceutical products: Medicaid Preferred Drug Plan**

(a) The Medicaid Pharmacy and Therapeutics Committee shall review and recommend classes of drugs to the Medicaid Commissioner for inclusion in the Medicaid Preferred Drug Plan. Class means a therapeutic group of pharmaceutical agents approved by the FDA as defined by the American Hospital Formulary Service. The classes of anti-retroviral and anti-psychotic drugs shall not be included in the Medicaid Preferred Drug Plan.

(b) The Medicaid Pharmacy and Therapeutics Committee shall develop its preferred drug list recommendations by considering the clinical efficacy, safety, and cost effectiveness of a product. Within each covered class, the committee shall review and recommend drugs to the Medicaid Commissioner for inclusion on a preferred drug list. Generics and over the counter drugs covered by Medicaid may be considered preferred drugs for purposes of this article without appearing on the preferred drug list. Medicaid shall strive to insure any restriction on pharmaceutical use does not increase overall health care costs to Medicaid.

(c) The recommendations of the Medicaid Pharmacy and Therapeutics Committee regarding any limitations to be imposed on any drug or its use for a specific indication shall be based on sound clinical evidence found in labeling, drug compendia, and peer reviewed clinical literature pertaining to use of the drug. The clinical basis for recommendations regarding the preferred drug list shall be made available through a written report that is publicly available. If the recommendation of the Medicaid Pharmacy and Therapeutics Committee is contrary to prevailing clinical evidence found in labeling, drug compendia, and/or peer reviewed literature, such recommendation shall be justified in writing.

(d) Prescriptions for drugs within the scope of the Medicaid Preferred Drug Plan that are not included on the preferred drug list require prior approval before being reimbursed.

(e) If one or more drugs within a therapeutic class of drugs as defined by the American Hospital Formulary Service are placed on prior authorization pursuant to this article, except bio tech drugs, the Medicaid Pharmacy and Therapeutics Committee shall strive to insure that other effective alternative drugs within the same therapeutic class of drugs remain available for use without prior authorization.

(f) To the extent feasible, the committee shall review all drug classes included in the Medicaid Preferred Drug Plan at least every 12 months. Medicaid shall publish and make available the preferred drug list to Alabama Medicaid providers.

(g) Prior approval or any other care management technique shall not be employed without assurance by Medicaid that prior approval or other management techniques are consistent with quality patient care. Such assurances shall include evidence of:

(1) Clinically based definitions for each therapeutic class of drugs as defined by the American Hospital Formulary Service.

(2) Reliance on scientific and clinical information and data in updating the preferred drug list.

(3) For any drug subject to prior approval, a specific set of criteria, available to the public, articulating the requirements for coverage authorization.

(h) Medicaid shall promulgate rules to allow a pharmaceutical manufacturer to request a product review by the Medicaid Pharmacy and Therapeutics Committee of any pharmaceutical product falling within the scope of the Medicaid Preferred Drug Plan. As much as feasible, reviews will be placed on the agenda for review in the order in which they are received.

(i) The Alabama Medicaid Agency shall ensure that pharmaceutical manufacturers have an opportunity to submit evidence supporting inclusion of a product on the Medicaid preferred drug list and that the Medicaid Pharmacy and Therapeutics Committee review such evidence. The Alabama Medicaid Agency shall further insure that pharmaceutical manufacturers have an opportunity to offer public comment to the Medicaid Pharmacy and Therapeutics Committee supporting inclusion of a product on the Medicaid preferred drug list. Medicaid shall provide written notice of at least 30 days prior to a meeting of the Medicaid Pharmacy and Therapeutics Committee meeting to manufacturers whose drugs will be considered at the meeting.