DUTIES AND HISTORY OF THE DRUG USE REVIEW BOARD

OVERVIEW

The Federal Social Security Act provides that each state must establish and maintain a drug use review program to assure prescriptions distributed under the Medicaid program are appropriate, medically necessary, and not likely to result in adverse medical results. As part of the program, each state is required to have a Drug Use Review Board established by the state or through a contract with a private organization. Each state was required to be in compliance with the requirements by January 1, 1993. Federal regulations require membership of the Drug Use Review Board to be at least one-third physicians and one-third pharmacists. In addition, the number of physicians on the board cannot exceed 51 percent of total board members.

HISTORY AND BOARD MEMBERSHIP

The Drug Use Review Board was originally established by the Department of Human Services. Members of the board were appointed by the executive director of the Department of Human Services after receiving suggestions from the North Dakota Medical and Pharmaceutical Associations.

In 2003, House Bill No. 1430 was approved by the Legislative Assembly establishing a Drug Use Review Board in statute and outlining duties and membership. The bill provided for a total of 15 board members that included 13 members appointed by the executive director of the Department of Human Services. The pharmacy director and medical consultant of the Department of Human Services also served on the board as ex officio nonvoting members.

The Legislative Assembly approved 2005 House Bill No. 1470 which:

- 1. Increased the board to its present size of 16 members.
- Divided appointment responsibilities among the North Dakota Medical Association, North Dakota Pharmaceutical Association, Governor, Pharmaceutical Research Manufacturers of America, and Department of Human Services.

Testimony on the bill indicates the change was primarily due to efforts to make the board more independent.

Membership of the Drug Use Review Board is outlined in North Dakota Century Code Chapter 50-24.6 (Appendix A) and includes:

- Pharmacy administrator of the Department of Human Services (ex officio).
- Medical consultant to the Department of Human Services (ex officio).
- Four physicians appointed by the North Dakota Medical Association who are licensed in the

- state and actively engaged in the practice of medicine, one of whom is a psychiatrist.
- Two physicians appointed by the executive director of the Department of Human Services that are licensed in the state and actively engaged in the practice of medicine.
- Four pharmacists appointed by the North Dakota Pharmaceutical Association who are licensed in the state and actively engaged in the practice of pharmacy.
- Two pharmacists appointed by the executive director of the Department of Human Services that are licensed in the state and actively engaged in the practice of pharmacy.
- One individual appointed by the Governor that represents consumer interests.
- One pharmacist or physician representing the pharmaceutical industry appointed by the Pharmaceutical Research Manufacturers of America.

DUTIES OF THE BOARD

The board is required by statute to meet in person at least once every three months and may meet at other times at the discretion of the chairman.

Duties of the board include:

- Create and implement a prospective and retrospective drug use review program for outpatient prescription drugs under the medical assistance program that complies with 42 U.S.C. 1396r-8(g)(3).
- Advise and make recommendations regarding any rule proposed for adoption by the Department of Human Services to implement the provisions of state and federal law related to drug use review.
- Receive and consider information regarding the drug use review process which is provided by the Department of Human Services and interested parties.
- Review and recommend to the Department of Human Services any drugs to be included on prior authorization status.
- Review no less than once each year the status of the list of drugs that have been placed on prior authorization.
- Review and approve the prior authorization program used by the Department of Human Services, including the process to accommodate the provision of a drug benefit in an emergency situation.
- Propose remedial strategies to improve the quality of care and to promote effective use of medical assistance program funds or recipient expenditures.

BOARD PROCEDURES

North Dakota Administrative Code Section 75-02-02-28 (<u>Appendix B</u>) provides for the process of filing grievances and appeals regarding drugs placed in a prior authorization status. The Drug Use Review Board has also established a set of procedures to detail the disbursement of information to board members and the process for providing board recommendations. A copy of the procedures is attached as <u>Appendix C</u>.

ATTACH:3