249A.24 Iowa medical assistance drug utilization review commission — created.

1. An Iowa medical assistance drug utilization review commission is created within the department. The commission membership, duties, and related provisions shall comply with 42 C.F.R. pt. 456, subpt. K.

2. In addition to any other duties prescribed, the commission shall make recommendations to the council on health and human services regarding strategies to reduce state expenditures for prescription drugs under the medical assistance program excluding provider reimbursement rates. Following approval of any recommendation by the council on health and human services, the department shall include the approved recommendation in a notice of intended action under chapter 17A and shall comply with chapter 17A in adopting any rules to implement the recommendation. The department shall seek any federal waiver necessary to implement any approved recommendation. The strategies to be considered for recommendation by the commission shall include at a minimum all of the following:

a. Development of a preferred drug formulary pursuant to 42 U.S.C. §1396r-8.

b. Negotiation of supplemental rebates from manufacturers that are in addition to those required by Tit. XIX of the federal Social Security Act. For the purposes of this paragraph, *"supplemental rebates"* may include, at the department's discretion, cash rebates and other program benefits that offset a medical assistance expenditure. Pharmaceutical manufacturers agreeing to provide a supplemental rebate as provided in this paragraph shall have an opportunity to present evidence supporting inclusion of a product on any preferred drug formulary developed.

c. Disease management programs.

d. Drug product donation programs.

e. Drug utilization control programs.

f. Prescriber and beneficiary counseling and education.

g. Fraud and abuse initiatives.

h. Pharmaceutical case management.

i. Services or administrative investments with guaranteed savings to the medical assistance program.

j. Expansion of prior authorization for prescription drugs and pharmaceutical case management under the medical assistance program.

k. Any other strategy that has been approved by the United States department of health and human services regarding prescription drugs under the medical assistance program.

3. When making recommendations or determinations regarding beneficiary access to drugs and biological products for rare diseases, as defined in the federal Orphan Drug Act of 1983, Pub. L. No. 97-414, and drugs and biological products that are genetically targeted, the commission shall request and consider information from individuals who possess scientific or medical training with respect to the drug, biological product, or rare disease.

4. The commission shall submit an annual review, including facts and findings, of the drugs on the department's prior authorization list to the department and to the members of the general assembly's joint appropriations subcommittee on health and human services.

2002 Acts, 2nd Ex, ch 1003, §263, 266; 2005 Acts, ch 175, §112; 2010 Acts, ch 1061, §180; 2017 Acts, ch 174, §82; 2023 Acts, ch 19, §804

Subsection 2, unnumbered paragraph 1 amended