

**Senate Study Bill 1125 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
STATE GOVERNMENT BILL BY  
CHAIRPERSON DANIELSON)

**A BILL FOR**

1 An Act relating to medication therapy management, providing an  
2 appropriation, and including effective date provisions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 8A.440 Medication therapy  
2 management.

3 1. As used in this section unless the context otherwise  
4 requires:

5 a. "*Eligible employee*" means an employee of the state, with  
6 the exception of an employee of the state board of regents or  
7 institutions under the state board of regents, for whom group  
8 health plans are established pursuant to chapter 509A providing  
9 for third-party payment or prepayment for health or medical  
10 expenses.

11 b. "*Medication therapy management*" means a systematic  
12 process performed by a licensed pharmacist, designed to  
13 optimize therapeutic outcomes through improved medication use  
14 and reduced risk of adverse drug events, including all of the  
15 following services:

16 (1) A medication therapy review and in-person consultation  
17 relating to all medications, vitamins, and herbal supplements  
18 currently being taken by an eligible individual.

19 (2) A medication action plan, subject to the limitations  
20 specified in this section, communicated to the individual and  
21 the individual's primary care physician or other appropriate  
22 prescriber to address safety issues, inconsistencies,  
23 duplicative therapy, omissions, and medication costs. The  
24 medication action plan may include recommendations to the  
25 prescriber for changes in drug therapy.

26 (3) Documentation and follow-up to ensure consistent levels  
27 of pharmacy services and positive outcomes.

28 2. a. The department shall amend the contract for the  
29 provision of medication therapy management services as  
30 initially required pursuant to 2010 Iowa Acts, chapter 1193,  
31 section 166, to provide for the continuation of medication  
32 therapy management services for eligible employees who meet any  
33 of the following criteria:

34 (1) An individual who takes four or more prescription drugs  
35 to treat or prevent two or more chronic medical conditions.

1 (2) An individual with a prescription drug therapy problem  
2 who is identified by the prescribing physician or other  
3 appropriate prescriber, and referred to a pharmacist for  
4 medication therapy management services.

5 (3) An individual who meets other criteria established by  
6 the third-party payment provider contract, policy, or plan.

7 *b.* The contract shall require the entity to provide annual  
8 reports to the general assembly detailing the costs, savings,  
9 estimated cost avoidance and return on investment, and patient  
10 outcomes related to the medication therapy management services  
11 provided. The entity shall guarantee demonstrated annual  
12 savings, including any savings associated with cost avoidance  
13 at least equal to the program's costs with any shortfall amount  
14 refunded to the state. The contract shall include terms,  
15 conditions, and applicable measurement standards associated  
16 with the demonstration of savings. The department shall verify  
17 the demonstrated savings reported by the entity was achieved  
18 in accordance with the agreed upon measurement standards. The  
19 entity shall be prohibited from using the entity's employees to  
20 provide the medication therapy management services and shall  
21 instead be required to contract with licensed pharmacies,  
22 pharmacists, or physicians.

23 *c.* The department may establish an advisory committee  
24 comprised of an equal number of physicians and pharmacists  
25 to provide advice and oversight in evaluating the results of  
26 the program. The department shall appoint the members of the  
27 advisory committee based upon designees of the Iowa pharmacy  
28 association, the Iowa medical society, and the Iowa osteopathic  
29 medical association.

30 *d.* The fees for pharmacist-delivered medication therapy  
31 management services shall be separate from the reimbursement  
32 for prescription drug product or dispensing services; shall  
33 be determined by each third-party payment provider contract,  
34 policy, or plan; and must be reasonable based on the resources  
35 and time required to provide the service.

1 e. A fee shall be established for physician reimbursement  
2 for services delivered for medication therapy management as  
3 determined by each third-party payment provider contract,  
4 policy, or plan, and must be reasonable based on the resources  
5 and time required to provide the service.

6 f. If any part of the medication therapy management  
7 plan developed by a pharmacist incorporates services which  
8 are outside the pharmacist's independent scope of practice  
9 including the initiation of therapy, modification of dosages,  
10 therapeutic interchange, or changes in drug therapy, the  
11 express authorization of the individual's physician or other  
12 appropriate prescriber is required.

13 Sec. 2. APPROPRIATION — DEPARTMENT OF ADMINISTRATIVE  
14 SERVICES. There is appropriated from the general fund of the  
15 state to the department of administrative services for the  
16 fiscal year beginning July 1, 2011, and ending June 30, 2012,  
17 the following amount or so much thereof as is necessary, to be  
18 used for the purpose specified:

19 For the medication therapy management program as enacted in  
20 this Act:

21 ..... \$ 481,000

22 Sec. 3. REPEAL. 2010 Iowa Acts, chapter 1193, section 166,  
23 is repealed.

24 Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
25 immediate importance, takes effect upon enactment.

26 EXPLANATION

27 This bill relates to medication therapy management. The  
28 bill codifies the pilot program for medication therapy  
29 management implemented on July 1, 2010, for eligible state  
30 employees, making the program an ongoing program and directing  
31 the department of administrative services to amend the  
32 existing contract to continue the program beyond the original  
33 pilot program repeal date of December 31, 2011. The bill  
34 appropriates funds to the department of administrative services  
35 for the purpose of the program. The bill takes effect upon

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1 enactment.