

SENATE BILL NO. 551

September 17, 2025, Introduced by Senators SANTANA and BAYER and referred to Committee on Health Policy.

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending section 109h (MCL 400.109h), as amended by 2022 PA 19, and by adding section 109v.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 109h. (1) If the department develops a prior
2 authorization process for prescription drugs as part of the
3 pharmaceutical services offered under the medical assistance
4 program administered under this act, the department shall not

1 require prior authorization for the following single source brand
2 name, generic equivalent of a multiple source brand name, or other
3 prescription drugs:

4 (a) A central nervous system prescription drug that is
5 classified as an anticonvulsant, antidepressant, antipsychotic, or
6 a noncontrolled substance antianxiety drug in a generally accepted
7 standard medical reference.

8 (b) A prescription drug that is cross-indicated for a central
9 nervous system drug exempted under subdivision (a) as documented in
10 a generally accepted standard medical reference.

11 (c) Unless the prescription drug is a controlled substance or
12 the prescription drug is being prescribed to treat a condition that
13 is excluded from coverage under this act, a prescription drug that
14 is recognized in a generally accepted standard medical reference as
15 effective in the treatment of conditions specified in the most
16 recent diagnostic and statistical manual of mental disorders
17 published by the American Psychiatric Association, including
18 substance use disorder. The department or the department's agent
19 shall not deny a request for prior authorization of a controlled
20 substance under this subdivision unless the department or the
21 department's agent determines that the controlled substance or the
22 dosage of the controlled substance being prescribed is not
23 consistent with its licensed indications or with generally accepted
24 medical practice as documented in a standard medical reference.

25 (d) A prescription drug that is recognized in a generally
26 accepted standard medical reference to prevent acquisition of or to
27 treat human immunodeficiency virus infection or complication of the
28 human immunodeficiency virus or acquired immunodeficiency syndrome.

29 (e) A prescription drug that is recognized in a generally

1 accepted standard medical reference for the treatment of and is
2 being prescribed to a patient for the treatment of any of the
3 following:

4 (i) Cancer.

5 (ii) Organ replacement therapy.

6 (iii) Epilepsy or seizure disorder.

7 (iv) Opioid withdrawal symptom management.

8 **(f) A prescription drug that meets the requirements of section**
9 **109v.**

10 (2) This section applies to drugs being provided under a
11 contract between the department and a health maintenance
12 organization.

13 (3) This section does not prohibit the department from
14 contracting with a managed care organization for pharmaceutical
15 services offered under the medical assistance program administered
16 under this act as long as the contract complies with the provisions
17 of this section.

18 (4) As used in this section:

19 (a) "Controlled substance" means that term as defined in
20 section 7104 of the public health code, 1978 PA 368, MCL 333.7104.

21 (b) "Cross-indicated" means a drug that is used for a purpose
22 generally held to be reasonable, appropriate, and within community
23 standards of practice even though the use is not included in the
24 United States Food and Drug Administration's approved labeled
25 indications for that drug.

26 (c) "Prescriber" means that term as defined in section 17708
27 of the public health code, 1978 PA 368, MCL 333.17708.

28 (d) "Prescription" or "prescription drug" means that term as
29 defined in section 17708 of the public health code, 1978 PA 368,

1 MCL 333.17708.

2 (e) "Prior authorization" means a process implemented by the
3 department that conditions, delays, or denies the delivery of
4 particular pharmaceutical services to Medicaid beneficiaries upon
5 application of predetermined criteria by the department or the
6 department's agent for those pharmaceutical services covered by the
7 department on a fee-for-service basis or according to a contract
8 for those services. The process may require a prescriber to verify
9 with the department or the department's agent that the proposed
10 medical use of a prescription drug being prescribed for a patient
11 meets the predetermined criteria for a prescription drug that is
12 otherwise covered under this act or require a prescriber to obtain
13 authorization from the department or the department's agent before
14 prescribing or dispensing a prescription drug that is not included
15 on a preferred drug list or that is subject to special access or
16 reimbursement restrictions.

17 **Sec. 109v. (1) Beginning on the effective date of the**
18 **amendatory act that added this section, the department shall**
19 **provide coverage under the medical assistance program for a drug**
20 **that meets both of the following requirements:**

21 (a) Is not an opioid analgesic.

22 (b) Is prescribed for the treatment or management of pain.

23 (2) Not later than 90 days after the effective date of the
24 amendatory act that added this section, the department shall add a
25 drug that meets requirements of subsection (1) to the preferred
26 drug list.

27 (3) In establishing and maintaining a preferred drug list, the
28 department shall ensure that a drug that meets the requirements of
29 subsection (1) is not disadvantaged or discouraged with respect to

1 coverage in relation to any opioid analgesic or narcotic drug that
2 may be prescribed for the treatment or management of pain and is
3 included on the preferred drug list. For purposes of this
4 subsection, impermissible disadvantage or discouragement includes,
5 but is not limited to, any of the following:

6 (a) Designating a drug that meets the requirements of
7 subsection (1) as a nonpreferred drug if an opioid analgesic or
8 narcotic drug is designated as a preferred drug.

9 (b) Establishing utilization review measures, including, but
10 not limited to, prior authorization or step therapy requirements
11 for a drug that meets the requirements of subsection (1) that are
12 more restrictive or extensive than the least restrictive or
13 extensive utilization controls established for an opioid analgesic
14 or narcotic drug.

15 (4) This section does not prohibit the department from
16 establishing or maintaining a preferred drug list that prefers
17 drugs as follows:

18 (a) An opioid analgesic over another opioid analgesic.

19 (b) A drug that meets the requirements of subsection (1) over
20 another drug that meets the requirements of subsection (1).

21 (5) This section does not prevent the department, the drug
22 manufacturer, a contracted health plan, or any interested party
23 from requesting or performing a review under an established review
24 process that is applicable to other prescription drugs before
25 recommending that a drug that meets the requirements of subsection
26 (1) is included in the department's preferred drug list.

27 (6) Notwithstanding subsection (5), a review conducted under
28 this section must not delay or block coverage of a drug that meets
29 the requirements of subsection (1) or deny an eligible individual

- 1 further access to a drug that meets the requirements of subsection
- 2 (1) under the medical assistance program.