

The Minnesota 2016 Electronic Prior Authorization Requirement: Implementation and Compliance

This document is intended primarily for prescribers, pharmacies, and payers/ prescription benefit managers (PBM) subject to Minnesota's e-prescribing requirements pursuant to Minnesota Statutes, section 62J.497, <https://www.revisor.mn.gov/statutes/?id=62J.497>.

The law does not require prescription drug prior authorization (PA) and/or formulary exceptions. However, for those entities subject to the law, if PA requests and responses and/or formulary exception requests and responses are exchanged, starting January 1, 2016, they must be exchanged electronically.

The requirements related to the specific standards that must be used when PA and/or formulary exception requests and responses are exchanged vary by the type of request/response. The current state law, MS §62J.497, Subd. 5, requires prescription drug authorizations, including PA, to be exchanged electronically starting January 1, 2016 using the NCPDP SCRIPT Standard version 2013101. However, the portion of this law that governs formulary exceptions, MS §62J.497, Subd. 4, does not require formulary exception requests to be exchanged electronically using the SCRIPT standard. Payers may still support electronic formulary exception requests using the NCPDP SCRIPT Standard if they choose, and MDH encourages using this standard for electronic exchange of these requests.

Information in this document is not legal advice. Entities subject to this law should seek their own legal counsel's advice, as appropriate, regarding compliance.

Implementation of the Law

The Minnesota Department of Health (MDH) administers the drug authorization requirements above. While the law does not specifically address compliance and enforcement, MDH is working with stakeholders and the industry to promote compliance with the law and to reduce the costs and burdens associated with prescription drug authorizations.

Prescribers, pharmacists and payers/PBMs subject to MS §62J.497 are advised to make progress toward meeting the statutory requirements. However, MDH recognizes that technological updates to enable this functionality can take time, and that manual methods for prior authorization may need to be used until electronic functionality is available with all partners.

Resources and Assistance

MDH's Prescription Drug Prior Authorization Companion guide and additional background regarding the development and features of the NCPDP Script Standard for drug authorization is available at <http://www.health.state.mn.us/asa/compguide.html>.

In partnership with the Minnesota e-Health Advisory Committee, MDH produced *A Practical Guide to Electronic Prescribing, Edition 2* (2015). This resource includes a section on prescription drug prior authorization and is available at <http://www.health.state.mn.us/e-health/eprescribing/index.html>.

The National Council for Prescription Drug Plans (NCPDP) prepared a fact sheet on electronic PA, available at <http://ncdpd.org/Resources/ePrescribing>. The NCPDP SCRIPT Standard is available for purchase through NCPDP.

62J.497 Electronic Prescription Drug Program. (Excerpt)

Subd. 5. Electronic drug prior authorization standardization and transmission.

(b) By January 1, 2014, the Minnesota Administrative Uniformity Committee shall develop the standard companion guide by which providers and group purchasers will exchange standard drug authorization requests using electronic data interchange standards, if available, with the goal of alignment with standards that are or will potentially be used nationally.

(c) No later than January 1, 2016, drug prior authorization requests must be accessible and submitted by health care providers, and accepted by group purchasers, electronically through secure electronic transmissions. Facsimile shall not be considered electronic transmission. <https://www.revisor.mn.gov/statutes/?id=62J.497>.