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Workers' Compensation Drug Formularies—Changes Afoot, Deadlines Loom

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[Author profile image](#)

[Brian Allen](#)

VP of Government Affairs, Mitchell Pharmacy Solutions, An Enlyte Company

This past year was a busy time for state workers' compensation systems in the creation and implementation of [drug formularies](#). As deadlines approach for certain states in 2020, here's what you need to know.

Kentucky Formulary Deadline: January 1, 2020

The Kentucky workers' compensation drug formulary **will apply to all prescription medications written on or after January 1, 2020, regardless of the date of injury.**

Preparation over the last six months included:

- Working with injured workers with dates of injury prior to July 1, 2019, and receiving drugs that require prior authorization under the drug formulary rule.
- Transitioning affected workers to a drug that has a “Y” status in the formulary or establishing a treatment plan with prior authorizations in place for any non-formulary or “N” drugs that will be prescribed after January 1, 2020.
- Communicating any plans or changes to the pharmacy benefit manager to facilitate a smooth transition to the formulary.

More information can be found at the Kentucky Department of Workers' Claims drug formulary information [here](#).

Indiana Formulary Deadline: January 1, 2020

The Indiana legislature passed a law implementing a drug formulary for their workers' compensation system effective for new claims beginning January 1, 2019. **The law also specified that claims with dates of injury prior to January 1, 2019 would be subject to the formulary on January 1, 2020.**

All non-formulary or “N” drugs prescribed to injured workers in Indiana will be required to be prior-authorized before being prescribed, with some exceptions for emergency care.

Text of the Indiana statute can be found [here](#).

Montana Formulary Deadline: April 1, 2020

The Montana workers' compensation drug formulary took effect for all new claims on April 1, 2019, and **will apply to all claims beginning on April 1, 2020.**

For injured workers with dates of injury prior to April 1, 2019, and receiving non-formulary medications:

- They must ensure that these workers are identified.
- Develop a plan to transition the workers to “Y” drugs or to establish a treatment plan for the non-formulary (“N”) drugs with the necessary prior authorizations in place to avoid any interruptions in pharmacy care.
- Communicate any plans or changes to the pharmacy benefit manager to avoid any delays in care.

Further details on the drug formulary can be found at the Montana Drug Formulary FAQ site [here](#).

New York Formulary Takes Effect for All Claims June 5, 2020

The New York drug formulary went into effect for new claims on December 5, 2019. Along with the drug formulary, the New York Workers' Compensation Board (WCB) implemented an electronic medical portal to handle the prior authorization process. There have been some questions along the way about how some of the processes should work and the WCB has posted FAQs to help answer certain questions.

The Board has an information page on the drug formulary that can be found [here](#).

As a reminder, **the drug formulary will take effect for all claims on June 5, 2020**, so now is the time to begin working on plans to transition claimants to formulary drugs.

California Formulary Changes: January 15, 2020

The California Division of Workers' Compensation has just posted an update to its MTUS drug formulary list. The changes are primarily focused on drugs related to treating hip and groin injuries and **will take effect on January 15, 2020.**

The version 6 changes can be found [here](#).

National Drug Formulary Model Law Adoption: December 13, 2019

The National Council of Insurance Legislators (NCOIL) formally adopted a workers' compensation drug formulary law at their December 13, 2019 meeting in Austin, TX. The model law is based on the Indiana drug formulary law that passed in 2018. The model was developed to allow flexibility in other states to adapt the

language to meet their specific needs.

The adopted model law can be found [here](#).

For questions regarding these changes or other regulatory or legislative matters, please contact Brian Allen, Vice President of Government Affairs at Brian.Allen@mitchell.com or at 801.903.5754.

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