

2022 Regular Session

HOUSE BILL NO. 182

BY REPRESENTATIVE HOLLIS

INSURANCE/HEALTH: Provides relative to third-party administrators

1 AN ACT

2 To amend and reenact R.S. 22:1653(A), 1654(B)(8), and 1657.1(C)(1)(introductory
3 paragraph), relative to third-party administrators; to modify requirements relative to
4 annual reports; to provide grounds for the commissioner to deny, suspend, or revoke
5 a license; to modify the filing date relative to rebate transparency reports of
6 pharmacy benefit managers; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1653(A), 1654(B)(8), and 1657.1(C)(1)(introductory paragraph)
9 are hereby amended and reenacted to read as follows:

10 §1653. Annual report; filing fee

11 A. Each administrator shall file an annual report for the preceding calendar
12 year with the commissioner on or before March first of each year, or within such
13 extension of time therefor as the commissioner may grant for good cause. The report
14 shall be in the form and contain all information as the commissioner requires ~~and~~
15 ~~shall be verified by at least two officers of the administrator.~~

16 * * *

17 §1654. Grounds for denial, suspension, or revocation of license

18 * * *

19 B. The commissioner may suspend or revoke the license of an administrator,
20 deny the application for a license, or, in lieu thereof, impose a fine not to exceed five

1 thousand dollars per violation or twenty-five thousand dollars in the aggregate, if the
2 commissioner finds that the administrator:

3 * * *

4 (8) Has provided incorrect, misleading, incomplete, or materially false
5 information or omitted material information in the license application or annual
6 report.

7 * * *

8 §1657.1. Pharmacy benefit manager rebate transparency report

9 * * *

10 C.(1) Beginning ~~June 1, 2020~~ March 1, 2023, and annually thereafter, each
11 licensed pharmacy benefit manager shall submit a transparency report containing
12 data from the prior calendar year to the department. The transparency report shall
13 contain the following information for each of the pharmacy benefit manager's
14 contractual or other relationships with a health benefit plan or health insurance
15 issuer:

16 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 182 Original

2022 Regular Session

Hollis

Abstract: Modifies requirements and penalties relative to third-party administrators and modifies the filing date for certain reports submitted by pharmacy benefit managers.

Present law requires each administrator to file a report with the commissioner of insurance for the preceding calendar year on or before March 1st of each year, or within an extension of time granted by the commissioner. Provides for the report to contain all information as the commissioner requires and further requires verification by at least 2 officers of the administrator. Proposed law removes the requirement for the report's verification by additional officers. Otherwise retains present law.

Present law provides that if the commissioner finds an administrator submitted incorrect, misleading, incomplete, or materially false information or omitted material information in the license application, the commissioner may suspend, revoke, or deny the administrator's license or impose a fine not to exceed \$5,000 per violation or \$25,000 in the aggregate. Proposed law further authorizes the commissioner to impose the present law penalties if the administrator submits false information in an annual report. Otherwise retains present law.

Present law requires pharmacy benefit managers to issue to the Dept. of Insurance an annual transparency report containing certain information beginning June 1, 2020. Proposed law changes the submission date to March 1, 2023. Otherwise retains present law.

(Amends R.S. 22:1653(A), 1654(B)(8), and 1657.1(C)(1)(intro. para.))