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 DIGEST

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SB 130 Engrossed

2018 Regular Session

Mills

Proposed law requires Medicaid pharmacy benefit manager contracts to be limited to a set per transaction rate for every pharmacy claim paid. Proposed law prohibits pharmacy benefit managers from retaining federal drug rebates, credits, or "spread pricing" amounts in excess of what they paid the pharmacist.

Proposed law allows the Louisiana Department of Health (LDH) to amend current contracts to comply with these provisions. Proposed law allows LDH to terminate the contract of any managed care organization or pharmacy benefit manager who does not wish to adhere to these contract provisions and issue a request for proposal to other pharmacy benefit managers.

Proposed law requires LDH, after August 1, 2018, to include the provisions of present law in any requests for proposal for Medicaid managed care organizations or pharmacy benefit managers.

Proposed law establishes an "any willing provider" clause to prohibit Medicaid managed care organizations or pharmacy benefit managers from denying Louisiana licensed pharmacies and pharmacists from the opportunity to participate in the plan provider networks.

Effective August 1, 2018.

(Adds R.S. 39:1648)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to the original bill

1. Adds credits owed to the state to the items that a pharmacy benefit manager may not retain.
2. Makes provisions regarding immediate application of the contract requirements permissive.
3. Makes requirement for a single state pharmacy benefit manager permissive.
4. Provides an "any willing provider" clause to prohibit Medicaid managed care organizations or pharmacy benefit managers from denying Louisiana licensed pharmacies and pharmacists the opportunity to participating in the plan provider network.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the engrossed bill:

1. Remove language allowing LDH to issue a requests for proposal for a single pharmacy benefit manager.
2. Remove language allowing LDH to amend pharmacy services out of the current Medicaid managed care organization contracts and issue a request for proposal

to provide this service as long as it complies with the Louisiana Procurement Code and the contracting requirements of proposed law.

3. Makes technical changes.