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The original instrument was prepared by Christine Arbo Peck. The following digest, which does not constitute a part of the legislative instrument, was prepared by Ann S. Brown.

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SB 239 Reengrossed

DIGEST  
2019 Regular Session

Mills

Present law authorizes the La. Department of Health to implement a prior approval process for Medicaid prescription drugs. Proposed law retains present law and mandates a single preferred drug list that shall include all therapeutic drug classes that are subject to prior authorization.

Proposed law authorizes the La. Department of Health to remove pharmacy services from Medicaid managed care organization contracts and assume direct responsibility for all Louisiana Medicaid pharmacy services. Proposed law provides that if the department administers the Medicaid pharmacy program through use of one or more Medicaid managed care organization pharmacy benefit managers certain provisions in proposed law must be adhered to.

Proposed law provides that the department has a duty to administer the Medicaid prescription drug benefit program in the most clinically effective cost-efficient manner possible. Proposed law requires the department to develop and submit a comprehensive plan to administer the Medicaid prescription drug program and submit the plan to the Senate and House committees on health and welfare, Senate Finance Committee, and House Appropriations Committee on February 1, 2020.

Proposed law requires that the following information, at a minimum, be included in the La. Department of Health's comprehensive plan:

- (1) Best practices, clinical, and cost outcomes from other states that have removed pharmacy services from Medicaid managed care organizations contracts and assume direct administrative responsibility.
- (2) Managed care organization portal access to ensure coordination of patient care if pharmacy services are removed from Medicaid managed care organization contracts.
- (3) Maximum rebate utilization through participation in the most effective bulk purchasing multi-state buying pool.
- (4) Medicaid managed care organization use of a pharmacy benefit manager for Medicaid prescription drug benefit program administration if the pharmacy benefit manager is part of a larger company that also owns retail pharmacies.

Effective August 1, 2019.

(Amends R.S. 46:153.3(B)(2)(a)(intro para); adds R.S. 46:450.7)

## Summary of Amendments Adopted by Senate

### Senate Floor Amendments to engrossed bill

1. Removes the prohibition that a Medicaid managed care organization cannot use a pharmacy benefit manager for the Medicaid drug benefit program administration if the pharmacy benefit manager is part of a larger company that also owns retail pharmacies.
2. Provides that the La. Department of Health to include in the comprehensive plan information on the use of a pharmacy benefit manager, for the Medicaid drug benefit program administration, if the pharmacy benefit manager is part of a larger company that also owns retail pharmacies.
3. Makes technical corrections.