

2021 Regular Session

SENATE BILL NO. 191

BY SENATOR CLOUD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE POLICIES. Provides relative to coverage of certain physician-administered drugs and related services. (gov sig)

1 AN ACT

2 To enact Part X of Subchapter D of Chapter 5-D of Title 40 of the Louisiana Revised

3 Statutes of 1950, to be comprised of R.S. 40:1227.1 through 1227.3, relative to

4 provider-administered drugs; to provide for legislative intent; to provide for

5 definitions; to provide for access; to provide for payment to participating health care

6 providers; to provide with respect to penalties; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part X of Subchapter D of Chapter 5-D of Title 40 of the Louisiana

9 Revised Statutes of 1950, to be comprised of R.S. 40:1227.1 through 1227.3, is hereby

10 enacted to read as follows:

11 **PART X. PROTECTING PATIENT ACCESS TO**

12 **PHYSICIAN-ADMINISTERED MEDICATIONS**

13 **§1227.1. Purpose and intent**

14 **The purpose and intent of this Part is to ensure patient access to**

15 **physician-administered drugs and related services furnished to persons covered**

16 **under a health insurance contract. This Part shall ensure that health insurance**

17 **issuers do not interfere with patients' freedom of choice with respect to**

1 providers furnishing physician-administered drugs and ensure that patients  
2 receive safe and effective drug therapies.

3 §1227.2. Definitions

4 For purposes of this Part, the following words shall have the following  
5 meanings:

6 (1) "Covered person" shall have the same meaning as provided in R.S.  
7 22:1019.1.

8 (2) "Health insurance issuer" shall have the same meaning as provided  
9 in R.S. 22:1019.1.

10 (3) "Participating provider" shall have the same meaning as provided  
11 in R.S. 22:1019.1.

12 (4) "Physician-administered drug" means any prescription drug as  
13 defined in R.S. 22:1060.1, other than a vaccine, that requires administration by  
14 a provider and is not approved as a self-administered drug.

15 §1227.3. Physician-administered drugs; access; payment

16 A. A health insurance issuer shall not refuse to authorize, approve, or  
17 pay a participating provider, including any clinic, hospital outpatient  
18 department, or pharmacy under common ownership or control with the  
19 participating provider, for providing covered physician-administered drugs and  
20 related services to covered persons. A health insurance issuer shall not  
21 condition, deny, restrict, refuse to authorize or approve, or reduce payment to  
22 a participating provider for a physician-administered drug because the  
23 participating provider obtains physician-administered drugs from a pharmacy  
24 that is not a participating provider in the health insurance issuer's network. The  
25 drug supplied shall meet the supply chain security controls and chain of  
26 distribution set by the federal Drug Supply Chain Security Act, Pub. L. 113-54,  
27 as amended. The payment shall be at the rate set forth in the health insurance  
28 issuer's agreement with the participating provider applicable to such drugs, or  
29 if no such rate is included in the agreement, then at the wholesale acquisition

1 cost. A health insurance issuer shall not require a covered person pay an  
2 additional fee, higher copay, higher coinsurance, second copay, second  
3 coinsurance, or any other increased cost-sharing amount for a physician-  
4 administered drug when provided by a participating provider.

5 B. A pharmacy benefit manager or person acting on behalf of a  
6 pharmacy benefit manager shall not condition, deny, restrict, refuse to  
7 authorize or approve, or reduce payment to a pharmacy or pharmacist for  
8 providing covered physician-administered drugs and related services to an  
9 enrollee. The reimbursement shall be at the rate set forth in the contract  
10 between the pharmacy benefit manager or person acting on behalf of a  
11 pharmacy benefit manager with the pharmacy or pharmacist applicable to the  
12 drugs, or if no rate is included in the agreement, then at the wholesale  
13 acquisition cost. A pharmacy benefit manager or person acting on behalf of a  
14 pharmacy benefit manager shall not require an enrollee to pay an additional  
15 fee, higher copay, higher coinsurance, second copay, second coinsurance, or any  
16 other increased cost-sharing amount for a physician-administered drug when  
17 provided by a pharmacy, pharmacist, clinic, hospital, or hospital outpatient  
18 department.

19 C. The commission of any act prohibited by this Part shall be considered  
20 an unfair method of competition and unfair practice or act which shall subject  
21 the violator to any and all actions, including investigative demands, private  
22 actions, remedies, and penalties, provided for in the Unfair Trade Practices and  
23 Consumer Protection Law.

24 D. Any provision of a contract that is contrary to any provision of this  
25 Part shall be null, void, and unenforceable in this state.

26 Section 2. This Act shall become effective upon signature by the governor or, if not  
27 signed by the governor, upon expiration of the time for bills to become law without signature  
28 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
29 vetoed by the governor and subsequently approved by the legislature, this Act shall become

