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HOUSE FLOOR AMENDMENTS

2021 Regular Session

Amendments proposed by Representative Turner to Engrossed House Bill No. 244 by Representative Turner

1 AMENDMENT NO. 1

2 On page 1, delete line 2 in its entirety and insert "To amend and reenact R.S. 44:4.1(B)(11)
3 and to enact R.S. 22:821(B)(39) and Part III-A of Chapter 5 of Title 22 of the Louisiana
4 Revised Statutes of 1950, to be"

5 AMENDMENT NO. 2

6 On page 1, line 3, change "1660.6" to "1660.11"

7 AMENDMENT NO. 3

8 On page 1, line 4, after "definitions;" delete the remainder of the line and delete lines 5
9 through 7 in their entirety and insert "to require licensing and a related fee; to provide
10 grounds for denial, suspension, and revocation of a license; to require submission of an
11 annual report and filing fee; to authorize the commissioner of insurance to examine certain
12 documents; to require maintenance and confidentiality of such documents; to provide for
13 exceptions; to provide for duties and responsibilities; to provide fines for violations; to
14 provide for contractual agreements; to provide for fee reimbursement; to authorize
15 rulemaking; to modify relative to exceptions to public records requests; and to provide for
16 related matters."

17 AMENDMENT NO. 4

18 On page 1, delete lines 9 and 10 in their entirety and insert the following:

19 "Section 1. R.S. 22:821(B)(39) and Part III-A of Chapter 5 of Title 22 of the
20 Louisiana Revised Statutes of 1950, comprised of R.S. 22:1660.1 through 1660.11, are
21 hereby enacted to read as follows:

22 §821. Fees

23 * * *

24 B. The commissioner shall collect the following fees in advance:

25 * * *

26 (39) For pharmacy services administrative organizations:

27 (a) Licensing fee.....\$300.00

28 (b) Annual report filing fee.....\$150.00

29 * * *"

1 AMENDMENT NO. 5

2 On page 2, delete lines 4 through 15 in their entirety and insert the following:

3 "§1660.2. Licensing requirements4 A. No person shall act as, or offer to act as, or hold himself out to be a
5 pharmacy services administrative organization in this state without a valid license
6 as a pharmacy services administrative organization issued by the commissioner of
7 insurance. The commissioner may impose a fine of five hundred dollars per violation
8 against any person who acts as a pharmacy services administrative organization
9 without a valid license, and each day shall be considered a separate violation.10 B. Applicants subject to this Section shall pay a licensing fee in an amount
11 set forth in R.S. 22:821 and shall make an application to the commissioner upon a
12 form to be furnished by the commissioner. The application shall include or be
13 accompanied by the following information and documents:14 (1) All basic organizational documents of the pharmacy services
15 administrative organization, including any articles of incorporation, articles of
16 association, partnership agreements, trade name certificates, trust agreements,
17 shareholders' agreements, and other applicable documents and all amendments to
18 such documents.19 (2) The bylaws, rules, regulations, or similar documents regulating the
20 internal affairs of the pharmacy services administrative organization.21 (3) The names, addresses, official positions, and professional qualifications
22 of the individuals who are responsible for the conduct of affairs of the pharmacy
23 services administrative organization, including all members of the board of directors,
24 board of trustees, executive committee or other governing board or committee, the
25 principal officers in the case of a corporation or the partners or members in the case
26 of a partnership or association, shareholders holding directly or indirectly ten percent
27 or more of the voting securities of the pharmacy services administrative
28 organization, and any other person who exercises control or influence over the affairs
29 of the pharmacy services administrative organization.30 (4) An affidavit signed by the president or other authorized officer stating
31 that the pharmacy services administrative organization has its latest financial
32 statement available for inspection by the commissioner.33 (5) The applicant shall submit summary information concerning its business
34 organization and employees sufficient to fulfill the requirements of this Part.35 (6) Such other pertinent information as may be required by the
36 commissioner.37
38 C. Upon request by the commissioner, the applicant shall make available for
39 inspection by the commissioner copies of contracts with pharmacists, pharmacies,
40 pharmacy benefit managers, or other persons utilizing the services of the pharmacy
41 services administrative organization in order to determine qualification for licensure.
4243 D. The commissioner may refuse to issue a license if the commissioner
44 determines that the pharmacy services administrative organization, or any individual
45 responsible for the conduct of affairs of the pharmacy services administrative
46 organization as defined in this Part, is not competent, trustworthy, financially
47 responsible or of good personal and business reputation, or has had an insurance or
48 a pharmacy services administrative organization license denied or revoked for cause
49 by any state.

1 E. A license issued pursuant to this Section shall remain valid, unless
 2 surrendered, suspended, or revoked by the commissioner, as long as the pharmacy
 3 services administrative organization continues in business in this state and remains
 4 in compliance with this Part.

5 F. A pharmacy services administrative organization is not required to hold
 6 a license as a pharmacy services administrative organization in this state if the
 7 pharmacy services administrative organization meets both of the following
 8 conditions:

9 (1) The pharmacy services administrative organization has its principal place
 10 of business in another state.

11 (2) The pharmacy services administrative organization is not soliciting
 12 business as a pharmacy services administrative organization in this state.

13 G. On an annual basis, a licensed pharmacy services administrative
 14 organization shall notify the commissioner if there is any material change in fact or
 15 circumstance affecting its qualification for a license in this state. The notice shall
 16 include any documentation as the commissioner may require upon a form to be
 17 furnished by the commissioner.

18 §1660.3. Annual report; filing fee

19 A. Each pharmacy services administrative organization shall file an annual
 20 report for the preceding calendar year with the commissioner on or before March
 21 first of each year, or within such extension of time as the commissioner may grant
 22 for good cause. The report shall be in the form and contain all information as the
 23 commissioner requires and shall be verified by at least two officers of the pharmacy
 24 services administrative organization.

25 B. The annual report shall include the number of pharmacists or pharmacies
 26 with which the pharmacy services administrative organization has an agreement with
 27 in the state.

28 C. At the time of filing its annual report, the pharmacy services
 29 administrative organization shall pay a filing fee in the amount set forth in R.S.
 30 22:821.

31 §1660.4. Grounds for denial, suspension, or revocation of license

32 A. The commissioner shall suspend or revoke the license of a pharmacy
 33 services administrative organization, deny the application for a license, or, in lieu
 34 thereof, impose a fine for each separate violation not to exceed five hundred dollars
 35 per violation if the pharmacy services administrative organization has failed to pay
 36 any judgment rendered against it in this state within sixty days after the judgment has
 37 become final.

38 B. The commissioner may suspend or revoke the license of a pharmacy
 39 services administrative organization, deny the application for a license, or, in lieu
 40 thereof, impose a fine not to exceed five hundred dollars per violation if the
 41 commissioner finds that a pharmacy services administrative organization has either
 42 of the following to apply:

43 (1) Has violated any lawful rule or order of the commissioner or any
 44 provision of the insurance laws of this state that is within the sole authority of the
 45 pharmacy services administrative organization.

1 (2) Has refused to be examined or to produce its accounts, records, and files
2 for examination or if any of its officers have refused to give information with respect
3 to its affairs or has refused to perform any other legal obligations as to such
4 examination, when required by the commissioner.

5 (3) Is affiliated with or under the same general management or interlocking
6 directorship or ownership as another pharmacy services administrative organization
7 which unlawfully transacts business in this state without having a license.

8 (4) At any time fails to meet any qualification for which issuance of the
9 license could have been refused had such failure then existed and been known to the
10 commissioner.

11 (5) Has been convicted of, or has entered a plea of guilty or nolo contendere
12 to, a felony without regard to whether adjudication was withheld.

13 (6) Is under suspension or revocation in another state.

14 (7) Has provided incorrect, misleading, incomplete, or materially false
15 information or omitted material information in the license application.

16 C. The commissioner may, in his discretion and without advance notice or
17 hearing, immediately suspend the license of any pharmacy services administrative
18 organization if the commissioner finds that either of the following circumstances
19 exists:

20 (1) A proceeding for receivership, conservatorship, rehabilitation, or other
21 delinquency proceeding regarding the pharmacy services administrative organization
22 has been commenced in any state.

23 (2) The financial condition or business practices of the pharmacy services
24 administrative organization otherwise pose an imminent threat to the public health,
25 safety, or welfare of the residents of this state.

26 §1660.5. Maintenance of information; exceptions

27 The commissioner may access the books and records maintained by a
28 pharmacy services administrative organization for the purposes of examination,
29 audit, and inspection. The commissioner shall keep any trade secrets contained in
30 such books and records confidential; however, the commissioner may use such
31 information in any proceeding instituted against the pharmacy services
32 administrative organization.

33 §1660.6. Examination authority

34 The commissioner may cause an examination, as prescribed by the provisions
35 of Chapter 8 of this Title, of any pharmacy services administrative organization
36 when in the opinion of the commissioner it is necessary for such an examination to
37 be made.

38 §1660.7. Confidentiality; documents and information; exceptions

39 Information provided to the commissioner by a pharmacy services
40 administrative organization pursuant to R.S. 22:1660.2(B) and 1660.3, as well as the
41 terms and conditions of any contract between a pharmacy services administrative
42 organization and a pharmacy benefit manager, a pharmacist, or a pharmacy except
43 for the identity of the contracting parties, and such other proprietary information as
44 specifically identified by the pharmacy services administrative organization shall be
45 given confidential treatment, shall not be subject to subpoena, and shall not be made

1 public by the commissioner, the National Association of Insurance Commissioners,
2 or any other person, except to the insurance departments of other states or in any
3 adjudicatory hearing or court proceeding invoked by the commissioner in accordance
4 with the provisions of this Part.

5 §1660.8. Rules and regulations

6 The commissioner may adopt rules and regulations in accordance with the
7 Administrative Procedure Act as are necessary to implement this Part."

8 AMENDMENT NO. 6

9 Page 2, line 16, change "§1660.3." to "§1660.9."

10 AMENDMENT NO. 7

11 Page 3, line 7, change "§1660.4." to "§1660.10."

12 AMENDMENT NO. 8

13 Page 3, line 22, change "§1660.5." to "§1660.11."

14 AMENDMENT NO. 9

15 On page 3, line 25, delete "a reasonable amount of time" and insert "five business days"

16 AMENDMENT NO. 10

17 On page 4, delete lines 7 through 15 in their entirety and insert the following:

18 "Section 2. R.S. 44:4.1(B)(11) is hereby amended and reenacted to read as follows:

19 §4.1. Exceptions

20 * * *

21 B. The legislature further recognizes that there exist exceptions, exemptions,
22 and limitations to the laws pertaining to public records throughout the revised
23 statutes and codes of this state. Therefore, the following exceptions, exemptions, and
24 limitations are hereby continued in effect by incorporation into this Chapter by
25 citation:

26 * * *

27 (11) R.S. 22:2, 14, 31, 42.1, 88, 244, 263, 265, 461, 550.7, 571, 572, 572.1,
28 574, 618, 639, 691.4, 691.5, 691.6, 691.7, 691.8, 691.9, 691.9.1, 691.10, 691.38,
29 691.56, 732, 752, 753, 771, 834, 972(D), 976, 1008, 1019.2, 1203, 1290.1, 1460,
30 1464, 1466, 1488, 1546, 1559, 1566(D), 1644, 1656, 1657.1, 1660.7, 1723, 1796,
31 1801, 1808.3, 1927, 1929, 1983, 1984, 2036, 2045, 2056, 2085, 2091, 2293, 2303,
32 2508

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