

SENATE BILL NO. 181

BY SENATOR BOUDREAUX

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

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AN ACT

To amend and reenact R.S. 22:1068(D)(3), 1074(D)(3), and 1964(15)(a)(ii), relative to health insurance; to provide for the guaranteed renewability of health insurance coverage; to authorize the modification of drug coverage under certain circumstances; to provide for unfair methods, acts, or practices by health insurers against certain pharmacies and pharmacists; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1068(D)(3), 1074(D)(3), and 1964(15)(a)(ii) are hereby amended and reenacted to read as follows:

§1068. Guaranteed renewability of coverage for employers in the group market

* * *

D. A health insurance issuer may modify health insurance coverage offered to a group health plan if each of the following conditions is met:

* * *

(3) The issuer notifies, on a form approved by the Department of Insurance, each affected covered small or large employer and enrollee of the modification, including modification of coverage of a particular product or modification of drug coverage, not later than the sixtieth day before the date the modification is effective.

Notwithstanding the requirements of Paragraph (1) of this Subsection, modification of drug coverage for any drug increasing over three hundred dollars per prescription or refill with an increase in the wholesale acquisition cost of at least twenty-five percent in the prior three hundred sixty-five days may occur at any time provided that thirty-day notice of the modification of coverage is given. The thirty-day notice of modification of coverage shall include information on the issuer's process for an enrollee's physician to request an

1 exception from the issuer's modification of drug coverage for purposes of
2 continuity of care of the patient.

3 * * *

4 §1074. Guaranteed renewability of individual health insurance coverage

5 * * *

6 D. A health insurance issuer may modify the health insurance coverage for
7 a policy form offered to individuals in the individual market if each of the following
8 conditions is met:

9 * * *

10 (3) The issuer notifies, on a form approved by the Department of Insurance,
11 each affected individual of the modification, including modification of coverage of
12 a particular product or modification of drug coverage, not later than the sixtieth day
13 before the date the modification is effective. **Notwithstanding the requirements of**
14 **Paragraph (1) of this Subsection, modification of drug coverage for any drug**
15 **increasing over three hundred dollars per prescription or refill with an increase**
16 **in the wholesale acquisition cost of at least twenty-five percent in the prior three**
17 **hundred sixty-five days may occur at any time provided that thirty-day notice**
18 **of the modification of coverage is given. The thirty-day notice of modification**
19 **of coverage shall include information on the issuer's process for an enrollee's**
20 **physician to request an exception from the issuer's modification of drug**
21 **coverage for purposes of continuity of care of the patient.**

22 * * *

23 §1964. Methods, acts, and practices which are defined as unfair or deceptive

24 The following are declared to be unfair methods of competition and unfair
25 or deceptive acts or practices in the business of insurance:

26 * * *

27 (15)(a) The issuance, delivery, issuance for delivery, or renewal of, or
28 execution of a contract for, a health benefits policy or plan which:

29 * * *

30 (ii) Denies a pharmacy **licensed and physically located in the state** or a

1 pharmacist **licensed in the state** the right to participate as a contract provider of
 2 pharmaceutical services or pharmaceutical products under the policy or plan, or
 3 under a pharmacy network established by the policy or plan, if the pharmacy or
 4 pharmacist agrees in writing to provide pharmaceutical services and pharmaceutical
 5 products that meet all the terms and requirements, including the same administrative,
 6 financial, and professional conditions and a minimum contract term of one year, if
 7 requested, which apply to pharmacies and pharmacists which have been designated
 8 as providers under the policy or plan or as participating providers in a pharmacy
 9 network established by the policy or plan.

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 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____