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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Brandi Cannon.

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DIGEST

SB 32 Original

2022 Regular Session

Fred Mills

Present law provides for the payment for prescription drugs, other products and supplies, and pharmacist services submitted by a pharmacist or pharmacy under a contract for the provision of covered benefits with a health insurance issuer.

Present law provides that health insurance issuers that limit the period of time that a pharmacist or pharmacy has to submit claims for payment shall have the same limited period of time following payment of the claims to reconsider the validity of the claims. Proposed law provides that, except in cases of alleged fraud, willful misrepresentation, or abuse, the time period shall not exceed one year from the date a claim was adjudicated to perform any review, reconsideration, or any other audit of the claim.

Present law provides for the audit of pharmacy records and prohibits the conducting of an audit at a particular pharmacy more than one time annually. Proposed law also prohibits an audit for more than 100 prescriptions annually.

Present law provides that the entity which conducts the initial audit shall give the pharmacy notice at least two weeks before conducting the initial audit except in cases of alleged fraud or willful misrepresentation when notice before the initial audit could impede the audit, review, or investigation. Proposed law adds the requirement for the auditor to provide a comprehensive list of claims by prescription number to be audited.

Proposed law provides that the auditor shall not receive payment nor be compensated based on the amount directly or indirectly recovered.

Proposed law provides that the auditor shall provide notice of any investigation initiated based upon fraud to the division of insurance fraud of the Department of Insurance prior to auditing the pharmacy. Proposed law requires the commissioner of insurance to take appropriate enforcement action.

Proposed law provides that, effective January 1, 2023, no individual shall perform an audit unless the individual has attested in writing to the entity on whose behalf he is performing the audit that the individual is knowledgeable of Louisiana pharmacy audit laws and his intent to conduct the audit in compliance with Louisiana law.

Effective August 1, 2022.

(Amends R.S. 22:1856(B) and 1856.1(A), 1856.1(B)(intro para), (B)(2)(a), (3)(a), and (4)(a), (E)(5), and (G); adds R.S. 22:1856.1(H) and 1856.2)