The original instrument was prepared by Amanda Trapp. The following digest, which does not constitute a part of the legislative instrument, was prepared by Beth O'Quin.

DIGEST

SB 281 Reengrossed

2024 Regular Session

Edmonds

Present law provides for definitions regarding pharmacies and pharmacist claims.

Proposed law makes changes to the definition of "health insurance issuer".

Present law provides criteria for entities conducting audits of pharmacy records.

<u>Proposed law</u> expands the criteria to apply to other reviews of records and makes changes to audit procedures.

Present law provides for exemptions from the audit criteria.

<u>Proposed law</u> requires investigations for pharmacy record audits be initiated in accordance with rules adopted by the commissioner.

<u>Proposed law</u> removes the exemption for investigations involving suspected or alleged fraud, willful misrepresentation, or abuse and requires entities to report those investigations to the Dept. of Insurance and removes the authorization of the commissioner to take enforcement action for violations of <u>present law</u> and <u>proposed law</u>.

<u>Proposed law</u> requires the commissioner to promulgate rules that sets forth standards for policies and procedures governing the performance of pharmacy record audits that includes standards for each of the following:

- (1) Claim reviews and quality assurance reviews.
- (2) Fraud or willful misrepresentation of audits.

Effective August 1, 2024.

(Amends R.S. 22:1852(7) and 1856.1(B)(intro para) and (B)(2)(b) and (G); adds R.S. 22:1856.1(H))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Makes technical changes.

2. Changes the definition of a health insurance issuer.

Senate Floor Amendments to engrossed bill

- 1. Requires the commissioner to promulgate rules for pharmacy audit records that meet certain standards.
- 2. Removes <u>proposed law</u> provisions that authorized the commissioner to take enforcement action.