
The original instrument was prepared by Christopher D. Adams. The following digest, which does not constitute a part of the legislative instrument, was prepared by Jay Lueckel.

DIGEST

Murray (SB 185)

Proposed law provides definitions.

Proposed law provides an exemption to the provisions of the proposed law for any entity contracted with the Department of Health and Hospitals to provide fiscal intermediary services in processing claims of the health care providers.

Proposed law provides for provider credentialing. Proposed law requires managed care organizations requiring a health care provider to be credentialed, recertified, or approved prior to rendering health care services to a Medicaid recipient within 90 days from the date receiving the information needed for credentialing.

Proposed law provides for a managed care organization informing an applicant within 30 days of the date of the receipt of the application of all defects and reasons known for the application being deemed incorrectly completed.

Proposed law provides for a managed care organization informing an applicant in the event verification or a verification supporting statement not received within 60 days of the date of the managed care organization's request.

Proposed law provides for interim credentialing requirements.

Proposed law provides for prepaid coordinated care network pharmaceutical and therapeutic committees. Such committees will be responsible for developing a drug formulary and preferred drug list for the prepaid coordinated network.

Proposed law provides for the committees to hold public meetings at least semi-annually in Baton Rouge. Such meetings must permit public comments.

Proposed law provides DHH will not implement the pharmacopoeia authorized by the proposed law until the initial pharmacopoeia is submitted to and approved by the Senate and House committees on health and welfare. Proposed law provides the Senate and House committees on health and welfare may only approve or reject the pharmacopoeia and may not add specific drugs to or delete specific drugs from the pharmacopoeia.

Proposed law provides beginning January 1, 2014, managed care organizations shall utilize a single page prior authorization form promulgated, pursuant to the Administrative Procedure Act, by DHH.

Proposed law provides a managed care provision shall comply with the exceptions to prior authorization pursuant to present law.

Proposed law provides managed care organizations utilizing step therapy or fail first protocols will comply with the proposed law. Proposed law provides when medications for the treatment of any medical condition will be restricted for use by a managed care organization by a step therapy or fail first protocol, the prescribing physician will be provided with and have access to a clear and convenient process to request an override. Proposed law provides an override will be granted under the following circumstances:

- (1) The prescribing physician demonstrates to the managed care organization, based on sound clinical evidence, the preferred treatment required under step therapy or fail first protocol has been ineffective in the treatment of the Medicaid enrollee's disease or medical condition.
- (2) The prescribing physician demonstrates to the managed care organization, based on sound clinical evidence, the preferred treatment required under the step therapy or fail first protocol is reasonably expected to be ineffective based on the known relevant physical or mental characteristics and medical history of the Medicaid enrollee and known characteristics of the drug regimen.
- (3) The prescribing physician demonstrates to the managed care organization, based on sound clinical evidence, the preferred treatment required under the step therapy or fail first protocol causes or likely causes an adverse reaction or other physical harm to the Medicaid enrollee.

Proposed law provides the duration of any step therapy or fail first protocol will not be longer than the customary period for the medication when such treatment is demonstrated by the prescribing physician to be clinically ineffective.

Prohibits the Department of Health and Hospitals from amending or altering the existing Bayou Health plans per member per month contractual rates in effect as of the effective date of the Act for any purpose which is related to the implementation of the provisions of the Act.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 46:460.31-460.71)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to the original bill

1. Removes the Medicaid Managed Care Pharmaceutical and Therapeutics

Committee.

2. Exempts from the provisions any entity contracted with the Department of Health and Hospitals to provide fiscal intermediary services in processing claims of the health care providers.
3. Provides for the prepaid coordinated care network pharmaceutical and therapeutic committees.
4. Provides that a managed care organization comply with the exceptions to prior authorization in present law.
5. Provide for claim payment information and claim payment for care rendered to newborns.
6. Technical changes.

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Deletes provisions for services rendered to newborns.
2. Prohibits the Department of Health and Hospitals from amending or altering the existing Bayou Health plans per member per month contractual rates in effect as of the effective date of the Act for any purpose which is related to the implementation of the provisions of the Act.