The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Christopher D. Adams.

DIGEST

SB 163 Engrossed 2015 Regular Session Mills

Proposed law provides for definitions.

Proposed law provides a managed care organization may negotiate the ingredient cost reimbursement in its contracts with providers.

Proposed law provides no managed care organization shall reimburse a local pharmacy at a rate less than a reasonable dispensing fee plus the lesser of the following:

(1) That pharmacy's actual ingredient cost.

(2) The rate at which that pharmacy could have acquired that drug product from a commercial wholesaler that does business with other local pharmacies in Louisiana.

Proposed law provides no later than August 1, 2015, the Department of Health and Hospitals shall promulgate rules, in accordance with the Administrative Procedure Act, providing for the enforcement of the proposed law relative to the Medical Assistance Program. At a minimum, these rules shall provide for provider dispute resolution and departmental oversight and enforcement of the proposed law.

Proposed law provides if DHH does not have a rule in effect providing for the enforcement of this Section on June 15, 2016, no managed care organization shall pay a local pharmacy a per-prescription reimbursement at a rate less than the legacy Medicaid rate for any prescription filled after June 15, 2016.

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

(Adds R.S. 46:460.36)

Summary of Amendments Adopted by Senate

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

1. Adds definitions.

2. Provides for reimbursing certain pharmacies by managed care organizations.