

2016 Regular Session

HOUSE BILL NO. 845

BY REPRESENTATIVE LEBAS

INSURANCE/HEALTH: Provides relative to pharmacy benefit managers

1 AN ACT

2 To enact R.S. 22:1856(G), relative to payment standards by health insurance issuers to
3 pharmacists; to provide for penalties for late payment; to provide for penalties for
4 nonpayment; to provide for attorney's fees; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1856(G) is hereby enacted to read as follows:

7 §1856. Thirty-day payment standard; limitations on claim filing and audits;
8 remittance advice; penalties and attorney's fees

9 * * *

10 G.(1) It shall be unlawful for any health insurance issuer or its agent to fail
11 to make a timely payment of the uncontested amount owed under this Subpart to a
12 pharmacist or pharmacy.

13 (2) Any health insurance issuer or its agent that makes a payment of the
14 uncontested amount owed under this Subpart to a pharmacist or pharmacy more than
15 ten days after it is due under this Subpart shall pay a penalty to the pharmacist or
16 pharmacy of ten percent of the uncontested amount owed.

17 (3) Any health insurance issuer or its agent that fails to make a payment of
18 the uncontested amount owed under this Subpart to a pharmacist or pharmacy that
19 results in the pharmacist or pharmacy taking legal action to recover the amount owed
20 shall be awarded reasonable attorney's fees, in addition to any other amounts

1 awarded to the pharmacist or pharmacy, which shall include the penalty provided in
2 Paragraph (2) of this Subsection.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 845 Original

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LeBas

Abstract: Subjects health insurance issuers or their agents who fail to timely pay uncontested amounts owed to pharmacists and pharmacies to a ten percent penalty and reasonable attorney's fees.

Present law allows health insurance issuers or their agents to pay remittance amounts using either a 30 day payment standard or within 45 days of the date of service for non-electronic claims submissions, or within 15 days of the date of electronic adjudication for claims submitted electronically. Present law further imposes a late payment adjustment equal to 1% of unpaid balance due for each month that remains unpaid.

Proposed law keeps present law and adds a penalty of 10% of the uncontested amount due that is paid more than 10 days after it is due. Further provides for an award of reasonable attorney's fees when a pharmacist or pharmacy is forced to take legal action to receive payment of the amounts due from the health insurance issuer or its agent.

(Adds 22:1856(G))