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## DIGEST

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HB 306 Reengrossed

2017 Regular Session

Johnson

**Abstract:** Requires the base of reimbursement by managed care organizations for prescription drugs to be at least equal to the legacy Medicaid rate.

Present law prohibits a managed care organization (MCO) from paying a local pharmacy a per-prescription reimbursement at a rate less than the legacy Medicaid rate unless its contract with the La. Dept. of Health (LDH) provides for a reimbursement dispute process.

Proposed law removes the option to include a reimbursement dispute process to allow a reimbursement rate less than the legacy Medicaid rate.

Present law authorizes an MCO to negotiate the ingredient cost reimbursement in its contracts with providers.

Proposed law repeals present law.

Present law requires any contract between LDH and an MCO that includes provisions for pharmacy reimbursement to provide for a reimbursement dispute process for local pharmacies.

Proposed law repeals present law.

Present law requires the full cost of implementing and performing the provisions of present law to be the responsibility of LDH through a reallocation of existing budget resources and not through additional appropriations.

Proposed law repeals present law.

Effective October 1, 2017.

(Amends R.S. 46:460.36(D); Repeals R.S. 46:460.36(B), (C), and (E))

### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Repeal authorization for an MCO to negotiate the ingredient cost reimbursement with

providers.

2. Repeal the requirement that a contract between LDH and an MCO provide for a reimbursement dispute process for local pharmacies.
3. Repeal the requirement for the full cost of implementing present law to be the responsibility of LDH through a reallocation of existing budget resources.
4. Change the effective date of the Act from effective upon signature of the governor to July 1, 2017.
5. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Change the effective date from July 1, 2017, to October 1, 2017.