## **RÉSUMÉ DIGEST**

## ACT 167 (HB 538) 2019 Regular Session

Existing law provides criteria for auditing of pharmacy records by the following entities:

- (1) Managed care companies.
- (2) Insurance companies.
- (3) Third-party payors.
- (4) Representatives of managed care companies, including pharmacy benefit managers, insurance companies, and third-party payors.

<u>Prior law</u> included a protocol for onsite audits of pharmacy records by these entities. <u>New law</u> repeals all provisions relative to onsite pharmacy record audits.

<u>New law</u> stipulates that nothing in <u>existing law</u> or <u>new law</u> shall prohibit review of a claim filed by a pharmacy to determine if the claim is payable or is paid correctly. Provides that such review may require the submission of prescription copies and other documentation related to specific claims under review, but shall not require the pharmacy to provide any additional information not related to those claims.

<u>Prior law</u> required that any audit involving clinical judgment be conducted by or in consultation with a licensed pharmacist. <u>New law</u> revises <u>prior law</u> to require that any such audit be conducted by or in consultation with a pharmacist who is licensed in this state.

<u>Prior law</u> provided that no pharmacy should be subject to recoupment of any portion of the reimbursement for the dispensed product of a prescription unless certain conditions were met. <u>New law</u> revises <u>prior law</u> to require that these conditions occur at the point of adjudication in order for a pharmacy to be subject to recoupment.

<u>New law</u> stipulates that if any entity determines that the processed or adjudicated pharmacy claim qualifies for recoupment based upon the use of a manufacturer coupon or copay card, then the recoupment shall come from the beneficiary of the reduction if the product is approved by the U.S. Food and Drug Administration through the new drug application process or abbreviated new drug application, or is an investigational drug which is a biological product as defined in existing law.

<u>New law</u> repeals <u>prior law</u> which provided that <u>existing law</u> relative to pharmacy record audits should not apply to the following:

- (1) Any federally funded activity specifically preempted by law or rule.
- (2) Any audit conducted pursuant to the participation of a pharmacy in the La. Medicaid program.

Effective August 1, 2019.

(Amends R.S. 22:1856.1(B)(intro. para.), (2), (3), (7)(b), and (8), (D)(1)(intro. para.) and (2)(intro. para.), and (F); Adds R.S. 22:1856.1(D)(3); Repeals 22:1856.1(G)(3) and (4))

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