

2015 Regular Session

HOUSE BILL NO. 436

BY REPRESENTATIVE ROBERT JOHNSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/HEALTH: Provides for insurance reimbursement of certain provider fees paid by pharmacies

1 AN ACT

2 To amend and reenact R.S. 46:2625(A)(2) and to enact R.S. 22:1860.1, relative to
3 reimbursement of provider fees remitted to the Department of Health and Hospitals;
4 to provide that health insurance issuers reimburse pharmacies or pharmacists for
5 payment of the fee; to provide for scope of application with respect to the medical
6 assistance program; to provide for sanctions by the commissioner of insurance; to
7 provide for appeals of sanctions; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:1860.1 is hereby enacted to read as follows:

10 §1860.1. Reimbursement of pharmacy provider fee; sanctions; administrative
11 hearings

12 A. It is the obligation of a health insurance issuer or its agent to reimburse
13 a pharmacist or his agent for fees remitted by a pharmacy or pharmacist or his agent
14 in compliance with R.S. 46:2625.

15 B. The failure to reimburse a pharmacy or pharmacist or his agent by a
16 health insurance issuer or its agent for the fees authorized in R.S. 46:2625(A)(1)
17 shall be an act for which the health insurance issuer or its agent may be sanctioned
18 by the commissioner in accordance with R.S. 22:1860. Any person sanctioned

1 pursuant to this Section may demand an administrative hearing in accordance with
2 Chapter 12 of this Title, R.S. 22:2191 et seq.

3 Section 2. R.S. 46:2625(A)(2) is hereby amended and reenacted to read as follows:

4 §2625. Fees on health care providers; disposition of fees

5 A.

6 * * *

7 (2)(a) Any fee authorized by and imposed pursuant to this Section shall be
8 considered an allowable cost for purposes of insurance or other third party
9 reimbursements and shall be included in the establishment of reimbursement rates.

10 (b) Every contract between a pharmacy or pharmacist or his agent and a
11 health insurance issuer or its agent shall include provisions requiring the health
12 insurance issuer or its agent to reimburse the pharmacy or pharmacist or his agent
13 for payment of the fee authorized by Subparagraph (A)(1)(c) of this Section,
14 provided that the pharmacy or pharmacist or his agent makes a claim for
15 reimbursement of the fee. Reimbursement, in accordance with R.S. 22:1854, shall
16 be made not later than the fifteenth day after the date on which the claim was
17 electronically adjudicated in the manner by which the pharmacy or pharmacist or his
18 agent routinely receives reimbursement and accompanied by a remittance advice
19 generated by a health insurance issuer or its agent which shall clearly identify the fee
20 for each claim. Any contract that does not include such provisions shall nonetheless
21 be interpreted and enforced to comply with this Section.

22 (c) In the event any provision of Subparagraph (b) of this Paragraph prevents
23 any sums otherwise certifiable by the state as a component of its share of
24 expenditures in the medical assistance program from being used in such manner, the
25 provision shall be ineffective to the extent it prevents the certification.

26 * * *

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 436 Reengrossed

2015 Regular Session

Robert Johnson

Abstract: Requires health insurance issuers to reimburse the pharmacy or pharmacist for payment of the provider fee when the pharmacy or pharmacist makes a claim for reimbursement of the fee.

Present law authorizes the Dept. of Health and Hospitals to impose a fee of up to 10¢ per prescription for prescription services provided by the Medicaid program.

Proposed law retains present law and requires health insurance issuers to reimburse pharmacies or pharmacists for the payment of the fee when the pharmacy or pharmacist makes a claim for reimbursement of the fee.

Proposed law requires the reimbursement of the fee to be made in accordance with the provisions of present law relative to electronic claim submission standards.

Proposed law shall have no effect to the extent that any sums otherwise certifiable by the state as a component of its share of expenditures in the medical assistance program cannot be certified.

Proposed law provides that the failure of a health insurance issuer or its agent to reimburse a pharmacy or pharmacist or his agent shall be an act for which the health insurance issuer or its agent may be sanctioned by the commissioner.

Proposed law authorizes any person sanctioned pursuant to proposed law to demand an administrative hearing.

(Amends R.S. 46:2625(A)(2); Adds R.S. 22:1860.1)

Summary of Amendments Adopted by House

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

1. Make technical changes.
2. Remove the fee increases.
3. Remove the provision regarding the responsibility for payment of the fees to the Dept. of Health and Hospitals.
4. Change the payment procedure from the time and manner required by the La. Insurance Code to not later than the 15th day after the date on which the claim was electronically adjudicated.
5. Add a provision prohibiting the enforcement of proposed law if any part of the state share of funding for the medical assistance program cannot be certified.
6. Add a provision deeming the failure to reimburse the fee to be an unfair or deceptive trade practice subject to the enforcement authority of the commissioner of insurance.

The House Floor Amendments to the engrossed bill:

1. Make technical changes.
2. Authorize the commissioner of insurance to sanction a health insurance issuer or its agent for failure to reimburse pharmacy provider fees.
3. Authorize a person who is sanctioned to request an administrative hearing.
4. Delete provisions establishing the failure to reimburse pharmacy provider fees as an unfair trade practice.
5. Clarify that the reimbursement of pharmacy provider fees shall be made in accordance with the provisions of present law relative to electronic claim submission standards.