AN ACT

To amend and reenact R.S. 22:1860.3 and to enact R.S. 37:1219(D) through (F), relative to business practices of pharmacists, pharmacies, and pharmacy benefit managers; to provide relative to pharmacies which contract with pharmacy benefit managers to provide covered drugs, devices, and services; to authorize pharmacists to decline to provide covered drugs, devices, or services in certain cases; to require pharmacists to communicate certain information to customers in such cases; to deem certain acts as prohibited under the Unfair Trade Practices and Consumer Protection Law; to provide for validity and enforceability of certain pharmacy contracts; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1860.3 is hereby amended and reenacted to read as follows:

§1860.3. Reimbursements

A. A pharmacy benefit manager or person acting on behalf of a pharmacy benefit manager shall not reimburse a pharmacy or pharmacist in this state an amount less than the amount that the pharmacy benefit manager reimburses an affiliate of the pharmacy benefit manager for providing the same services. The
amount shall be calculated on a per-unit basis using the same generic product
identifier or generic code number.

B.(1) Any pharmacy or pharmacist who has a contract, either directly or
through a pharmacy services administration organization, with a pharmacy benefit
manager administering any type of drug or pharmacy benefit plan to provide covered
drugs, devices, or services at a contractual reimbursement rate may decline to
provide a covered drug, device, or service if the pharmacy or pharmacist will be or
is paid less than the acquisition cost for the covered drug, device, or service.

(2) If the pharmacy or pharmacist declines to provide the drug, device, or
service as authorized in this Subsection, then the pharmacy or pharmacist shall
provide the customer with adequate information as to where the prescription for the
drug, device, or service may be filled.

(3) No pharmacy benefit manager, pharmacy services administration
organization, or any person acting for or on behalf of a pharmacy benefit manager
or pharmacy services administration organization shall cancel any contract with the
pharmacy or pharmacist, sue for breach of contract, use the decision to decline as a
cause for not renewing the contract, or retaliate against or penalize the pharmacy or
pharmacist in any way.

C. The commission of any act prohibited by this Section shall be considered
an unfair method of competition and unfair practice or act which shall subject the
violator to any and all actions, including investigative demands, private actions,
remedies, and penalties, provided for in the Unfair Trade Practices and Consumer
Protection Law, R.S. 51:1401 et seq.

D. Any provision of a contract that is contrary to any provision of this
Section shall be null, void, and unenforceable in this state.

Section 2. R.S. 37:1219(D) through (F) are hereby enacted to read as follows:

§1219. Affordable alternative options to prescription drugs

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D.(1) Any pharmacy or pharmacist who has a contract, either directly or
through a pharmacy services administration organization, with a pharmacy benefit
manager administering any type of drug or pharmacy benefit plan to provide covered
drugs, devices, or services at a contractual reimbursement rate may decline to
provide a covered drug, device, or service if the pharmacy or pharmacist will be or
is paid less than the acquisition cost for the covered drug, device, or service.

(2) If the pharmacy or pharmacist declines to provide the drug, device, or
service as authorized in this Subsection, then the pharmacy or pharmacist shall
provide the customer with adequate information as to where the prescription for the
drug, device, or service may be filled.

(3) No pharmacy benefit manager, pharmacy services administration
organization, or any person acting for or on behalf of a pharmacy benefit manager
or pharmacy services administration organization shall cancel any contract with the
pharmacy or pharmacist, sue for breach of contract, use the decision to decline as a
cause for not renewing the contract, or retaliate against or penalize the pharmacy or
pharmacist in any way.

E. The commission of any act prohibited by this Section shall be considered
an unfair method of competition and unfair practice or act which shall subject the
violator to any and all actions, including investigative demands and private actions,
remedies, and penalties, provided for in the Unfair Trade Practices and Consumer
Protection Law, R.S. 51:1401 et seq.

F. Any provision of a contract that is contrary to any provision of this
Section shall be null, void, and unenforceable in this state.

Section 3. If any provision or item of this Act or the application thereof is held
invalid, such invalidity shall not affect other provisions, items, or applications of this Act
which can be given effect without the invalid provisions, items, or applications, and to this
end the provisions of this Act are hereby declared severable in accordance with R.S. 24:175.

Section 4. This Act shall become effective upon signature by the governor or, if not
signed by the governor, upon expiration of the time for bills to become law without signature
by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
vetoed by the governor and subsequently approved by the legislature, this Act shall become
effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________________

CODING: Words in struck through type are deletions from existing law; words underscored are additions.