
DIGEST

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Mills

SB No. 401

Proposed law provides that an organization that negotiates with a pharmacy or pharmacies, and an organization that represents an independent pharmacy or a group of independent pharmacies, shall provide to each pharmacy that the organization represents a copy of any new contract, provider agreement, amendment to such contract or agreement, or other provider documentation concerning the pharmacy's network participation with a third party payor.

Proposed law provides that failure by an organization that negotiates with a pharmacy or pharmacies, or an organization that represents an independent pharmacy or a group of independent pharmacies, to provide documentation relative to a pharmacy's network participation with a third party payor as required in proposed law shall be deemed an unfair or deceptive act and practice pursuant to present law (R.S. 22:1961 et seq.).

Effective August 1, 2014.

(Adds R.S. 22:1857.1 and 1964(26))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to the original bill

1. Deletes the provision that valid contracts require submission of written approval of each contractual term by the pharmacy within 15 business days of receipt of the contract and provides for validity upon receipt of the contract and each contractual term by each participating pharmacy.

Senate Floor Amendments to reengrossed bill

1. Adds requirement that any organization that represents independent pharmacies shall provide a copy of the contract to each pharmacy it represents and any additional documentation relevant to the pharmacy's network participation with a third party payor.

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Health and Welfare to the engrossed bill.

1. Deletes provision stipulating that all third party contracts with independent pharmacies shall be valid only upon receipt of the contract and each contractual term by the participating pharmacy.
2. Adds a provision stipulating that an organization that negotiates with a pharmacy or pharmacies shall provide to each pharmacy that the organization represents a copy of any new contract, provider agreement, amendment to such contract or agreement, or other provider documentation concerning the pharmacy's network participation with a third party payor.
3. Adds provision establishing that failure by an organization that negotiates with a pharmacy or pharmacies, or an organization that represents an independent pharmacy or a group of independent pharmacies, to provide documentation

relative to a pharmacy's network participation with a third party payor as required in proposed law shall be deemed an unfair or deceptive act and practice pursuant to present law (R.S. 22:1961 et seq.).