

SENATE COMMITTEE AMENDMENTS

2015 Regular Session

Amendments proposed by Senate Committee on Health and Welfare to Original Senate Bill No. 163 by Senator Mills

1 AMENDMENT NO. 1

2 On page 1, line 2, after "care;" delete the remainder of the line and delete line 3, and insert
3 "to provide for definitions; to provide for managed care organizations' pharmacy
4 reimbursement; to provide"

5 AMENDMENT NO. 2

6 On page 1, delete line 7, and insert:

7 **"§460.36. Pharmacy reimbursement by managed care oragnizations"**

8 AMENDMENT NO. 3

9 On page 1, between lines 7 and 8, insert:

10 **"A. Words and terms used in this Section shall have the following**
11 **meanings:**

12 **(1) "Actual ingredient cost" means the cost paid by the pharmacy to**
13 **acquire the drug product for resale less any applicable wholesaler or**
14 **manufacturer price concessions.**

15 **(2) "Department" means the Department of Health and Hospitals.**

16 **(3) "Legacy Medicaid rate" means the lesser of one of the following:**

17 **(a)The published Medicaid fee-for-service reimbursement rate for the**
18 **combination of the ingredient cost and dispensing fee in use for the current**
19 **approved Medicaid state plan in effect on the date of service.**

20 **(b) The usual and customary charge. This charge shall be the price the**
21 **provider most frequently charges the general public for the same drug unless**
22 **otherwise defined in the current approved Medicaid state plan in effect on the**
23 **date of service.**

24 **(c) The pharmacy's submitted charge.**

25 **(4) "Local pharmacy" means any pharmacy, domiciled in at least one**
26 **Louisiana parish that:**

27 **(a) Contracts with the managed care organization or the managed care**
28 **organization's contractor in its own name or through a pharmacy services**
29 **administration organization and not under the authority of a group purchasing**
30 **organization.**

31 **(b)Has fewer than ten retail outlets under its corporate umbrella."**

32 AMENDMENT NO. 4

33 On page 1, line 8, delete "A." and insert "B."

34 AMENDMENT NO. 5

35 On page 1, delete lines 10 through 16 and insert:

36 **"C. No managed care organization shall reimburse a local pharmacy at**
37 **a rate less than a reasonable dispensing fee plus the lesser of the following:**

38 **(1) That pharmacy's actual ingredient cost.**

39 **(2) The rate at which that pharmacy could have acquired that drug**
40 **product from a commercial wholesaler that does business with other local**
41 **pharmacies in Louisiana.**

1 **D. No later than August 1, 2015, the department shall promulgate rules,**
2 **in accordance with the Administrative Procedure Act, providing for the**
3 **enforcement of this Section relative to the Medical Assistance Program. At a**
4 **minimum, these rules shall provide for provider dispute resolution and**
5 **departmental oversight and enforcement of this Section.**

6 **E. If the department does not have a rule in effect providing for the**
7 **enforcement of this Section on June 15, 2016, no managed care organization**
8 **shall pay a local pharmacy a per-prescription reimbursement at a rate less than**
9 **the legacy Medicaid rate for any prescription filled after June 15, 2016."**