

Regular Session, 2011

HOUSE BILL NO. 233

BY REPRESENTATIVE BALDONE

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

MEDICAID: Prohibits the La. Medicaid Program from providing coverage for brand name drugs in certain instances

1 AN ACT

2 To amend and reenact R.S. 46:153.3(D)(5)(b) and (c) and to enact R.S.  
3 46:153.3(B)(2)(a)(vi), relative to the Louisiana Medicaid Program; to provide certain  
4 criteria for the prior approval process within the Medicaid pharmacy program; to  
5 establish certain requirements of the Medicaid Pharmaceutical and Therapeutics  
6 Committee; to prohibit coverage for brand name drugs in certain instances; and to  
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 46:153.3(D)(5)(b) and (c) are hereby amended and reenacted and  
10 46:153.3(B)(2)(a)(vi) is hereby enacted to read as follows:

11 §153.3. Medical vendor reimbursements; allowable restrictions; peer-based  
12 prescribing and dispensing practice patterns; Medicaid Pharmaceutical and  
13 Therapeutics Committee

14 \* \* \*

15 B.

16 \* \* \*

17 (2)(a) The department may establish a drug list that utilizes a prior approval  
18 process or any other process or combination of processes that prove to be  
19 cost-effective in the medical assistance program. At a minimum any prior approval  
20 process shall meet all of the following criteria:

21 \* \* \*





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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)]

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Baldone

HB No. 233

**Abstract:** Prohibits the La. Medicaid Program from providing coverage for brand name drugs in certain instances.

Present law provides relative to pharmacy services within the La. Medicaid Program.

Present law authorizes the Dept. of Health and Hospitals (DHH) to establish within the La. Medicaid Program a preferred drug list that utilizes a prior authorization process and provides certain criteria for the prior authorization process.

Proposed law provides that such process shall assure that no brand name medication receives prior authorization if a generic alternative medication is commercially available and less costly than the net cost of the brand name drug inclusive of all rebate amounts for the brand name drug.

Present law creates the Medicaid Pharmaceutical and Therapeutics Committee within DHH, and requires that the committee develop and maintain a pharmacopoeia.

Proposed law provides that such pharmacopoeia shall not include any brand name medication for which a generic alternative medication is commercially available and less costly than the net cost of the brand name drug inclusive of all rebate amounts for the brand name drug.

Present law provides that any drug approved by the U.S. Food and Drug Administration shall be added to the formulary as soon as it becomes commercially available.

Proposed law provides an exception from automatic inclusion in the formulary for any brand name medication for which a generic alternative medication is commercially available and less costly than the net cost of the brand name drug inclusive of all rebate amounts for the brand name drug.

Proposed law provides that within 90 days of enactment of proposed law, DHH shall strike from any current drug list, formulary, or pharmacopoeia within the Medicaid pharmacy program any brand name drug for which a generic alternative medication is commercially available and less costly than the net cost of the brand name drug inclusive of all rebate amounts for the brand name drug.

Proposed law provides that within 90 days of enactment of proposed law, DHH shall promulgate any rules necessary to implement the provisions of proposed law.

(Amends R.S. 46:153.3(D)(5)(b) and (c); Adds R.S. 46:153.3(B)(2)(a)(vi))