

Regular Session, 2010

HOUSE BILL NO. 797

BY REPRESENTATIVE LEBAS

FEES/LICENSES/PERMITS: Provides relative to the payment and collection of Medicaid provider fees on prescription drugs

1 AN ACT

2 To amend and reenact R.S. 46:2625(A)(2) and (E)(2) and to enact R.S. 22:1856(F) and R.S.  
3 37:1241(A)(23), relative to the payment and collection of Medicaid provider fees on  
4 prescription drugs; to clarify the responsibility of insurers and other third parties to  
5 pay the provider fees on prescription drugs; to provide for penalties for  
6 noncompliant pharmacies; to provide for penalties for noncompliant insurers and  
7 third-party providers; to provide for an effective date; and to provide for related  
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 22:1856(F) is hereby enacted to read as follows:

11 §1856. Thirty-day payment standard; limitations on claim filing and audits

12 \* \* \*

13 F. Health insurance issuers or their agents shall pay the provider fee as  
14 provided in Paragraph (C)(9) of this Section under penalty of R.S. 22:1860.

15 Section 2. R.S. 37:1241(A)(23) is hereby enacted to read as follows:

16 §1241. Refusal, restriction, suspension, or revocation of license

17 A. The board may, after due notice and hearing, assess a fine not to exceed  
18 the sum of five thousand dollars for each offense, refuse to license, register, certify,  
19 or permit any applicant, refuse to renew the license or permit of any person, or may  
20 revoke, summarily suspend, suspend, place on probation, reprimand, issue a warning  
21 against the person who was issued the license, registration, certificate, permit, or any

1 other designation deemed necessary to engage in the practice of pharmacy upon  
2 proof that the person:

3 \* \* \*

4 (23) Has failed to timely submit to the Department of Health and Hospitals  
5 required prescription fees or a quarterly statement detailing the accurate number of  
6 prescriptions filled, compounded, dispensed, and delivered as provided by R.S.  
7 46:2625.

8 \* \* \*

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

11 §2625. Fees on health care providers; disposition of fees

12 A.

13 \* \* \*

14 (2) Any fee authorized by and imposed pursuant to this Section shall be  
15 considered an allowable cost for purposes of insurance or other ~~third party~~ third-  
16 party reimbursements and shall be included in the establishment of reimbursement  
17 rates. If a prescription is reimbursable by an insurer or third-party provider,  
18 prescription fees as provided in this Section shall be the responsibility of the insurer  
19 or other third-party provider and shall be added to the third-party's reimbursement  
20 rate to the pharmacy dispensing the prescription, provided that the pharmacy submits  
21 any reimbursable fees with the claim to the insurer or third-party provider.

22 \* \* \*

23 E.

24 \* \* \*

25 (2) Beginning January 1, 2000, the Louisiana Board of Pharmacy, hereinafter  
26 "the board", shall take necessary action to discipline ~~suspend the registration and~~  
27 ~~permit~~ of any registered in-state or out-of-state pharmacy which fails to timely  
28 submit a quarterly statement with the Department of Health and Hospitals containing  
29 the number of prescriptions filled, compounded, or dispensed, and delivered in or

1 into the state of Louisiana during the previous three-month period, or for failure to  
2 timely submit the appropriate prescription fees due pursuant to this Section. The  
3 board shall discipline a noncompliant pharmacy utilizing any of the options available  
4 to the board pursuant to R.S. 37:1241, including but not limited to the assessment of  
5 finances and the suspension or revocation of the license of the noncompliant pharmacy.

6 A report or fee shall be considered untimely if it is received by the department thirty  
7 days after the close of the most recent quarter. Each report of the quarterly statement  
8 shall be signed and verified as to accuracy of information contained therein by the  
9 preparer of the statement on a form provided by the department.

10 \* \* \*

11 Section 4. The provisions of this Act shall become effective on January 1, 2011.

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)]

LeBas

HB No. 797

**Abstract:** Provides for the payment and collection of Medicaid provider fees on prescription drugs by clarifying the parties responsible for paying the provider fees. Expands the range of penalties to providers and third parties who do not pay or are delinquent in paying the provider fees.

Proposed law requires health insurers to pay the prescription provider fee subject to penalty as provided in present law.

Present law allows the La. Board of Pharmacy to assess fines against, refuse to license, refuse to renew a license of, or take other disciplinary actions against an individual found to have committed certain enumerated practices.

Proposed law retains present law and adds to the list the failure to timely submit to the Dept. of Health and Hospitals the required prescription fees or a quarterly statement as required by present law.

Present law provides that any provider fee authorized by present law shall be considered an allowable cost for purposes of insurance or other third-party reimbursements and shall be included in the establishment of reimbursement rates.

Proposed law retains present law and adds that if a prescription is reimbursable by an insurer or third-party provider, the prescription provider fee shall be added to the third-party's reimbursement rate to the pharmacy dispensing the prescription, provided that the pharmacy submits any reimbursable fees with the claim to the insurer or third-party provider.

Present law provides that the La. Board of Pharmacy shall take necessary action to suspend the registration and permit of any registered in-state or out-of-state pharmacy which fails to

timely submit a quarterly statement with the Dept. of Health and Hospitals containing the necessary information on prescriptions or the failure to timely submit the appropriate prescription fees.

Proposed law retains present law and allows the La. Board of Pharmacy to utilize other disciplinary options in addition to the suspension or revocation of a pharmacy's license, such as the imposition of fines as provided by present law.

Effective Jan. 1, 2011.

(Amends R.S. 46:2625(A)(2) and (E)(2); Adds R.S. 22:1856(F) and R.S. 37:1241(A)(23))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Provided that prescription fees shall be reimbursed by an insurer or third-party provider as long as the pharmacy submits any reimbursable prescription provider fees with the claim to the third-party provider or insurer.
2. Provided that the provisions of proposed law will go into effect Jan. 1, 2011.