



## Rx: *per*

LIPA is your strategic and legislative voice—helping you run a more effective and profitable business. We maintain powerful relationships and engage at every level by:

- Playing a significant role in Louisiana Medicaid redesign as well as participation at the federal level with healthcare policy and the Louisiana Board of Pharmacy;
- Taking an active role in agencies such as CMS to ensure pharmacy is involved in day to day healthcare matters as well as the healthcare reform process in general, and
- Providing a collaborative partnership by working with government, private business, and individuals to learn, apply, and improve pharmacy and healthcare policy.

### Louisiana Independent Pharmacies Association

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*For information regarding LIPA membership, please visit [www.LIPAnow.org](http://www.LIPAnow.org) 2019*



*Louisiana Independent Pharmacies Association is accredited by the Accreditation Council for Pharmacy Education as a provider of continuing pharmacy education.*

## Rx: *ad lib.*

As a member of LIPA, independent pharmacies receive cogent analyses, reports and updates of news impacting their industry as well as a host of other resources:

- Legislative tracking and advocacy to defend and advance your goals;
- Regular communications regarding state, federal, and global news concerning not only pharmacy but the larger healthcare scene as well;
- A forum for community pharmacy idea exchange as well as education, opportunities, and support for aspiring community pharmacists, and
- Payment of DME Surety Bonds for the flexibility to sell durable medical equipment at no additional cost to the member pharmacist as well as a paid, full membership to the Louisiana Pharmacists Association (LPA). LIPA also offers membership to the National Community Pharmacists Association (NCPA) at a discounted rate.



## Louisiana Independent Pharmacies Association

## Rx: *q.d.*

Since 2001, LIPA has been providing services that benefit its membership of independent pharmacies in order to promote and advance the pharmacy community. A member-based organization, LIPA advocates on behalf of your needs, issues and concerns and is dedicated to delivering quality information designed to inform and compel.

As small business entrepreneurs, independent pharmacists are dynamic, multi-dimensional health care providers who play a critical role in Louisiana's health care delivery system. With a strong foundation in their communities, they lead grass roots public health, civic, and volunteer initiatives and, as such, represent a vital resource. Short-term, the goal of pharmacies and LIPA is to ensure individual health but long-term, they are focused on improving the overall quality of health care in order to realize the best possible outcomes.

## PROVIDER CONTRACTS:

*R.S. 22:1007*

Prohibits contract clauses that require pharmacies to participate in all health benefit plans. Managed care organizations are prohibited from terminating a contract if a pharmacy refuses to participate.

## PROHIBITS CLAWBACKS:

*R.S. 22:1060.6; 22:1657; 37:1219*

Prohibits requiring a patient to pay a greater amount for pharmacy services than the total amount retained by pharmacy. Allows pharmacists to inform patients of all relevant options for their prescriptions, including the ability to pay cash or the availability of cheaper alternatives.

## PROHIBITS SPECIAL REQUIREMENTS:

*R.S. 22:1651*

No insurer or PBM shall require a pharmacy to hold any license, accreditation, affiliation, or registration other than those required by federal or state government. Any contract provision in conflict with this shall be severable from the contract, considered null and void, and not enforceable in this state.

## PBM LICENSURE:

*R.S. 22:1657*

Requires that Pharmacy Benefit Managers be licensed and regulated by the Commissioner of Insurance. Requires PBMs publish and timely update the health benefit plan's formulary on the department's website. [Effective: 1.1.20]

## PBM REBATE TRANSPARENCY REPORT:

*R.S. 22:1657.1*

Requires each licensed PBM to submit a transparency report containing data from the prior calendar year to the LDI. The transparency report shall contain the following information for each of the PBM's contractual or other relationships with a health benefit plan or health insurance issuer:

- a) The aggregate amount of all rebates that the pharmacy benefit manager received from pharmaceutical manufacturers.
- b) The aggregate administrative fees that the pharmacy benefit manager received.
- c) The aggregate rebates that the pharmacy benefit manager received from pharmaceutical manufacturers and did not pass through to the health benefit plan or health insurance issuer.
- d) The highest, lowest, and mean aggregate retained rebate percentage.

## PROMPT PAY:

*R.S. 22:1854*

Requires pharmacies to be paid for prescription drugs, products, and supplies within 15 days of electronic claim.

## AUDIT PERIOD; REMITTANCE ADVICE:

*R.S. 22:1856*

Health insurance issuers that limit the period of time a pharmacist or pharmacy have to submit a claim for payment shall have the same limited period of time to perform any review or audit for purposes of reconsidering the validity of such paid claims.

Remittance advice must be generated and be postmarked by a health insurance issuer to a pharmacy on the date of payment and include:

1. Unique enrollee or insured identification number.
2. Patient claim number or patient account number.
3. Date that the prescription was filled.
4. National Drug Code.
5. Quantity dispensed.
6. Price submitted to the health insurance issuer or its contractor.
7. Amount paid by the health insurance issuer or its contractor.
8. Dispensing fee.
9. Provider fee.
10. Taxes.
11. Enrollee or insured liability, specifying any coinsurance, deductible, copayment, or non-covered amount.
12. Any amount adjusted by the health insurance issuer or its contractor and the reason for adjustment.
13. Any other deduction or charge, listed separately.
14. Network Identifier.
15. A toll-free telephone number for assistance with the remittance advice.

## AUDITS & RECOUPMENTS:

*R.S. 22:1856.1*

Audit process rules and appeals process:

1. Audits cannot take place during the first five business days of the month
2. No more than one audit per year
3. At least two weeks notification required prior to the audit
4. Clerical or record-keeping error shall not necessarily constitute fraud
5. Pharmacy may provide records for supporting documentation
6. All pharmacies shall be audited under same standards as others
7. Audit report shall be delivered to pharmacy within 90 days of conclusion with a minimum of 30 days for appeal of any discrepancies
8. Audit with clinical judgment must be conducted by or in consultation with a pharmacist licensed in Louisiana

No pharmacy shall be subject to recoupment of any portion of a reimbursement unless one of the following has occurred at the point of adjudication:

1. The pharmacy has engaged in fraudulent activity or other intentional misrepresentation.
2. The pharmacy has engaged in dispensing in excess of the benefit design, as established by the plan sponsor.
3. The pharmacy has not filled prescriptions in accordance with the prescriber's order.
4. The pharmacy has received an actual overpayment.

## PRESCRIPTION DRUGS, USE OF INDEX FOR PRICING:

*R.S. 22:1857*

Requires reimbursement for prescription drugs calculated using a nationally recognized pricing reference based on the most current nationally recognized reference price. Requires updated prices or amounts used for calculation of reimbursement no less than every three business days.

## COPY OF CONTRACTS:

*R.S. 22:1857.1*

Any organization that negotiates with a pharmacy or pharmacies, and an organization that represents an independent pharmacy or a group of independent pharmacies, shall provide 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.

## RECOUPMENT:

*R.S. 22:1859*

Requires that a pharmacy is provided written notification of a planned recoupment that includes:

*The name of the patient, the date or dates of provision or prescription drugs, other products and supplies, and pharmacist services, and an explanation of the reason for recoupment.*

Provides pharmacies with an appeal window of 30 days from receipt of notification.

## REIMBURSEMENT OF PROVIDER FEE:

*R.S. 22:1860.1*

A health insurer or its agent is obligated to reimburse pharmacist or his agent for each ten-cent provider fee. Insurance commissioner may fine a health insurer or its agent up to \$250,000 for failure to reimburse pharmacy in a timely manner.

## PROHIBITED FEES ON CLAIMS:

*R.S. 22:1860.2*

A health insurance issuer or a pharmacy benefit manager may not directly or indirectly charge or hold a pharmacist or pharmacy responsible for any fee related to a claim that is any of that is any of the following:

1. Not apparent at the time of claim processing.
2. Not identified on the remittance advice.
3. After the initial claim is adjudicated.

## DECLINE TO FILL:

*R.S. 22:1860.3*

A pharmacist may decline to fill a prescription if the pharmacist would be paid less than the acquisition cost for the covered drug, device, or service. The pharmacist must provide information as to where the prescription may be filled, and no contract shall force the pharmacist to make this fill.

## REIMBURSEMENTS:

*R.S. 22:1860.3*

A pharmacy benefit manager shall not reimburse a pharmacy or pharmacist an amount less than it reimburses an affiliate of the pharmacy benefit manager for the same services.

## MAXIMUM ALLOWABLE COST LISTS:

*R.S. 22:1863-22:1865*

PBMs must provide pharmacies with access to MAC lists and must update them on a timely basis, but no longer than 7 days from a change in methodology.

Requires implementation of appeals process for pharmacies to challenge negative margin reimbursements.

Requires PBM response to MAC inquiry within fifteen business days.

## PHARMACIST-ADMINISTERED IMMUNIZATION:

*R.S. 37:1218 and 37:1218.1*

Allows appropriately credentialed pharmacists to administer influenza immunizations to persons seven years of age or older, and all other immunizations and vaccines to persons 17 years of age or older, according to CDC recommendations.

## INTERCHANGEABLE BIOLOGICAL PRODUCTS:

*R.S. 37:1226.1*

Pharmacy must provide the Prescriber with specific interchangeable biological product data within five days of dispensing, unless:

1. There is no FDA approved interchangeable or therapeutically equivalent available
2. The prescription is an unchanged refill
3. The prescriber indicates dispense as written

## OPIOID LIMITATIONS:

*R.S. 40:978*

Limits a first-time opioid prescription for adult patient to no more than a seven-day supply.

Limits minors from having access to more than a 7-day supply of opioids.

Allows pharmacists to dispense less than what is considered the full recommended quantity upon request of the patient, later allowing the patient to request no greater than the remaining quantity be filled prior to the expiration of the prescription. If so, pharmacists will be required to update the record in the prescription monitoring program within 7 days.

## MEDICAID PHARMACY

### REIMBURSEMENT RATE FLOOR:

*R.S. 46:460.36*

No Medicaid managed care organization shall reimburse a local pharmacy at a rate less than the Fee for Service Rate for prescription drug claims.

### SALES TAX EXEMPTION:

*R.S. 47:337.9*

Exempts from all local sales and use taxes prescription drugs purchased through or pursuant to a Medicare Part D plan.

### OCCUPATIONAL LICENSE TAX:

*R.S. 47:359*

Limits the occupational license tax fee for independent community pharmacies to 1/10th of 1% of gross sales, minimum \$50, but never more than \$2000.