

NOTICE OF INTENT

**Department of Health
Bureau of Health Services Financing**

**Pharmacy Benefit Management Program
Vaccine Administration and Reimbursement
(LAC 50:XXIX.123,991 and 993)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:XI.123, 991, and 993 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health, Bureau of Health Service Financing proposes to amend the provisions governing reimbursement in the Pharmacy Benefit Management Program in order to add vaccines for adult recipients as a pharmacy benefit to provide an alternative location for these recipients to receive necessary vaccinations and immunizations.

Title 50

**PUBLIC HEALTH MEDICAL ASSISTANCE
Part XXIX. Pharmacy**

§123. Medication Administration

A. Vaccine Administration. The department shall provide coverage for administration of vaccines by a qualified pharmacist when:

1. - 2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 36:1783 (August 2010), amended LR 40:82 (January 2014), amended LR 46:

Subchapter H. Vaccines

§991. Vaccine Administration Fees

A. Reimbursement to pharmacies for immunization administration (intramuscular, subcutaneous or intranasal) performed by qualified pharmacists, is a maximum of \$15.22. This fee includes counseling, when performed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 36:1783 (August 2010), amended LR 40:82 (January 2014), amended by the Department of Health, Bureau of Health Services Financing, LR 43:1555 (August 2017), amended LR 46:

§993. Vaccine Reimbursement

A. Vaccines for recipients aged 19 and over shall be reimbursed at wholesale acquisition cost (WAC) or billed charges, whichever is the lesser amount.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 40:82 (January 2014), amended LR 46:

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have a positive impact on family functioning, stability and autonomy as described in R.S. 49:972 as it provides adult recipients greater access to necessary immunizations at alternative locations.

Poverty Impact Statement

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have a no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

Small Business Analysis

In compliance with Act 820 of the 2008 Regular Session of the Louisiana Legislature, the economic impact of this proposed Rule on small businesses has been considered. It is anticipated that this proposed Rule may have a positive impact on small businesses, as described in R.S. 49:965.2 et seq. as it permits

Medicaid reimbursement for adult vaccinations by pharmacy providers.

Provider Impact Statement

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, but may reduce the total direct and indirect cost to the provider to provide the same level of service. This Rule may enhance the provider's ability to provide the same level of service as described in HCR 170 since it permits Medicaid reimbursement for adult vaccinations by pharmacy providers.

Public Comments

Interested persons may submit written comments to Jen Steele, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. Steele is responsible for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is at 4:30 p.m. on January 29, 2020.

Interested persons may submit a written request to conduct a public hearing by U.S. mail to the Office of the Secretary ATTN: LDH Rulemaking Coordinator, Post Office Box 629, Baton

Rouge, LA 70821-0629; however, such request must be received no later than 4:30 p.m. on January 9, 2020. If the criteria set forth in R.S. 49:953(A)(2)(a) are satisfied, LDH will conduct a public hearing at 9:30 a.m. on January 29, 2020 in Room 118 of the Bienville Building, which is located at 628 North Fourth Street, Baton Rouge, LA. To confirm whether or not a public hearing will be held, interested persons should first call Allen Enger at (225) 342-1342 after January 9, 2020. If a public hearing is to be held, all interested persons are invited to attend and present data, views, comments, or arguments, orally or in writing. In the event of a hearing, parking is available to the public in the Galvez Parking Garage, which is located between North Sixth and North Fifth/North and Main Streets (cater-corner from the Bienville Building). Validated parking for the Galvez Garage may be available to public hearing attendees when the parking ticket is presented to LDH staff at the hearing.

Rebekah E. Gee MD, MPH

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person

Preparing

Statement: Veronica Dent

Phone: 342-3238

Dept.: Health

Office: Bureau of Health Services
Financing

Return P.O. Box 91030

Address: Baton Rouge, LA

Rule Title: Pharmacy Benefit Management
Program
Vaccine Administration and
Reimbursement

Date Rule Takes Effect: March 20, 2020

SUMMARY

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. The following summary statements, based on the attached worksheets, will be published in the Louisiana Register with the proposed agency rule.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (SUMMARY)

It is anticipated that the implementation of this proposed rule will result in estimated state programmatic costs of approximately \$4,814 for FY 19-20, \$17,423 for FY 20-21 and \$26,270 for FY 21-22. It is anticipated that \$540 (\$270 SGF and \$270 FED) will be expended in FY 19-20 for the state's administrative expense for promulgation of this proposed rule and the final rule. The numbers reflected above are based on a blended Federal Medical Assistance Percentage (FMAP) rate of 66.86 percent in FY 19-20, and 67.51 percent for FY 20-21 and FY 21-22 for the projected non-expansion population, and a blended FMAP rate of 93.25 percent in FY 19-20 and 90.75 percent in FY 20-21 and 90.00 percent in FY 21-22 for the projected expansion population.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

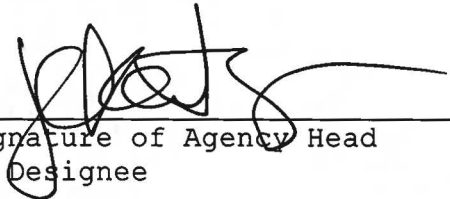
It is anticipated that the implementation of this proposed Rule will increase federal revenue collections by approximately \$26,415 for FY 19-20, \$89,167 for FY 20-21 and \$129,478 for FY 21-22. It is anticipated that \$270 will be collected in FY 19-20 for the federal share of the expense for promulgation of this proposed rule and the final rule. The numbers reflected above are based on a blended Federal Medical Assistance Percentage (FMAP) rate of 66.86 percent in FY 19-20, and 67.51 percent for FY 20-21 and FY 21-22 for the projected non-expansion population, and a blended FMAP rate of 93.25 percent in FY 19-20 and 90.75 percent in FY 20-21 and 90.00 percent in FY 21-22 for the projected expansion population.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule amends the provisions governing reimbursement in the Pharmacy Benefit Management Program in order to add vaccines for adult recipients in the Medical Assistance Program as a pharmacy benefit to provide an alternative location for these recipients to receive necessary immunizations. Adult recipients will benefit from implementation of this proposed Rule as it increases access to necessary vaccines that physicians may not carry in office settings. This proposed Rule will also be beneficial to pharmacy providers, since currently only influenza vaccines are covered as pharmacy benefits and this Rule allows Medicaid reimbursement for the provision of other vaccinations and immunizations. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$30,689 in FY 19-20, \$106,590 in FY 20-21 and \$155,748 in FY 21-22.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This rule has no known effect on competition and employment.



Signature of Agency Head
or Designee

Jen Steele, Medicaid Director


Typed name and Title of
Agency Head or Designee



Legislative Fiscal Officer
or Designee

12/9/19

Date of Signature



LDH/BHSF Budget Head

12/09/19

Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberations on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

This proposed rule amends the provisions governing reimbursement in the Pharmacy Benefit Management Program in order to add vaccines for adult recipients in the Medical Assistance Program as a pharmacy benefit to provide an alternative location to receive necessary immunizations.

- B. Summarize the circumstances that require this action. If the action is required by federal regulations, attach a copy of the applicable regulation.

The Department of Health, Bureau of Health Service Financing proposes to amend the provisions governing reimbursement in the Pharmacy Benefit Management Program in order to add vaccines for adult recipients as a pharmacy benefit to provide an alternative location for these recipients to receive necessary vaccinations and immunizations.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session.

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

Yes. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$31,229 in FY 19-20, \$106,590 in FY 20-21 and \$155,748 in FY 21-22. In FY 19-20, \$540 is included for the state's administrative expense for promulgation of this proposed rule and the final rule.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

- (a) If yes, attach documentation.
(b) X If no, provide justification as to why this rule change should be published at this time.

Act 10 of the 2019 Regular Session of the Louisiana Legislature allocated funds to the Medical Vendor Program for payments to providers and the operation of the Medicaid Program, and thereby, authorizes the expenditure of these funds. This proposed rule provides increased access to adult recipients to necessary immunizations at alternative locations, since physician offices may not always carry specific vaccines in office settings.

FISCAL AND ECONOMIC IMPACT STATEMENTWORKSHEET

I. A. COST OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase or (decrease) in cost to implement the proposed action?

COST	FY 19-20	FY 20-21	FY 21-22
PERSONAL SERVICES			
OPERATING EXPENSES	\$540	\$0	\$0
PROFESSIONAL SERVICES			
OTHER CHARGES	\$30,689	\$106,590	\$155,748
REPAIR & CONSTR.			
POSITIONS (#)			
TOTAL	\$31,229	\$106,590	\$155,748

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The expenses reflected above are the estimated increases in programmatic expenditures in the Medicaid program. In FY 19-20, \$540 will be spent for the state's administrative expense for promulgation of this proposed rule and the final rule.

3. Sources of funding for implementing the proposed rule or rule change.

Source	FY 19-20	FY 20-21	FY 21-22
STATE GENERAL FUND	\$4,814	\$17,423	\$26,270
SELF-GENERATED			
FEDERAL FUND	\$26,415	\$89,167	\$129,478
OTHER (Specify)			
Total	\$31,229	\$106,590	\$155,748

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes, sufficient funds are available to implement this rule.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THIS PROPOSED ACTION.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustment in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

This proposed rule has no known impact on local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

2. Indicate the sources of funding of the local governmental unit that will be affected by these costs or savings.

There is no known impact on the sources of local governmental unit funding.

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

- A. What increase or (decrease) in revenues can be expected from the proposed action?

REVENUE INCREASE/DECREASE	FY 19-20	FY 20-21	FY 21-22
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	\$26,415	\$89,167	\$129,478
LOCAL FUNDS			
Total	\$26,415	\$89,167	\$129,478

***Specify the particular fund being impacted**

- B. Provide a narrative explanation of each increase or decrease in revenue shown in "A". Describe all data, assumptions, and methods used in calculating these increases or decreases.

The amounts reflected above are the estimated increases in the federal share of programmatic expenditures for the Medicaid Program. In FY 19-20, \$270 will be collected for the federal share of the administrative expense for promulgation of this proposed rule and the final rule.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS

- A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effects on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.)

This proposed rule amends the provisions governing reimbursement in the Pharmacy Benefit Management Program in order to add vaccines for adult recipients in the Medical Assistance Program as a pharmacy benefit to provide an alternative location for these recipients to receive necessary immunizations.

- B. Also, provide an estimate of any revenue impact resulting from this rule or rule change to these groups.

Adult recipients will benefit from implementation of this proposed Rule as it increases access to necessary vaccines that physicians may not carry in office settings. This proposed Rule will also be beneficial to pharmacy providers, since currently only influenza vaccines are covered as pharmacy benefits and this Rule allows Medicaid reimbursement for the provision of other vaccinations and immunizations. It is anticipated that implementation of this proposed rule will result in programmatic costs to the Medicaid program of \$30,689 in FY 19-20, \$106,590 in FY 20-21 and \$155,748 in FY 21-22.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

This rule has no known effect on competition and employment.