

\$131,875 for FY 19-20; however, providers will benefit from clearly identified criteria for provision of services.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This rule has no known effect on competition and employment.

Jen Steele
 Medicaid Director
 1803#042

Evan Brasseaux
 Staff Director
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NOTICE OF INTENT

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

**Pharmacy Benefits Management Program
 Physician-Administered Drugs
 Reimbursement Methodology (LAC 50:XXIX.949)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:XXIX.949 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 U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) mandated that the Department of Health, Bureau of Health Services Financing revise the reimbursement methodology for physician-administered drugs in a physician office setting in order to bring the rates current and to incorporate a mechanism for periodic updates to the rates. In compliance with CMS requirements, the department proposes to amend the provisions governing the Pharmacy Benefits Management Program to revise the reimbursement methodology for physician-administered drugs.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part XXIX. Pharmacy

Chapter 9. Methods of Payment

Subchapter D. Maximum Allowable Costs

§949. Fee for Service Cost Limits

A. - H. ...

I. Physician-Administered Drugs. Medicaid-covered physician-administered drugs shall be reimbursed according to the Louisiana professional services fee schedule. Reimbursement shall be determined utilizing the following methodology, and periodic updates to the rates shall be made in accordance with the approved Louisiana Medicaid State Plan provisions governing physician-administered drugs in a physician office setting.

1. Reimbursement for Medicaid-covered physician-administered drugs in a physician office setting shall be established at the current Louisiana Medicare rate, which is average sales price (ASP) plus 6 percent, for drugs appearing on the Medicare file.

2. Reimbursement rates for physician-administered drugs in a physician office setting that do not appear on the Medicare file shall be determined utilizing the following alternative methods:

- a. the wholesale acquisition cost (WAC) of the drug, if available;
- b. If the drug has no WAC available, one of the following methods shall be used:
 - i. the provider’s actual cost of the drug as documented by invoice or other acceptable documentation as deemed appropriate by the department;
 - ii. Medicaid rate of other states;
 - iii. commercial payer rate; or
 - iv. medical consultant recommendation.

J. - K. ...

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, Office of the Secretary, Bureau of Health Services Financing, LR 32:1065 (June 2006), amended LR 34:88 (January 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 36:1561 (July 2010), amended by the Department of Health, Bureau of Health Services Financing, LR 43:1185 (June 2017), LR 43:1554 (August 2017), LR 44:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

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 no impact on family functioning, stability and autonomy as described in R.S. 49:972.

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 no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

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, no direct or indirect cost to the provider to provide the same level of service, but may impact payments to providers due to the adjustment to current pricing for some physician-administered drugs. It is anticipated that this proposed Rule will have no impact on the provider’s ability to provide the same level of service as described in HCR 170.

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 or by email to MedicaidPolicy@la.gov. Ms. Steele is responsible for responding to inquiries regarding this proposed Rule. The deadline for receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Public Hearing

A public hearing on this proposed Rule is scheduled for Thursday, April 26, 2018 at 9:30 a.m. in Room 118, Bienville Building, 628 North Fourth Street, Baton Rouge, LA. At that time all interested persons will be afforded an opportunity to submit data, views or arguments either orally or in writing.

Rebekah E. Gee MD, MPH
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Pharmacy Benefits Management
Program—Physician-Administered Drugs
Reimbursement Methodology**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)
It is anticipated that implementation of this proposed rule will result in no programmatic fiscal impact to the state in FY 17-18 other than the cost of promulgation. This proposed rule is anticipated to result in estimated state general fund programmatic costs of approximately \$62,000 for FY 18-19 and \$95,827 for FY 19-20. It is anticipated that \$540 (\$270 SGF and \$270 FED) will be expended in FY 17-18 for the state’s administrative expense for promulgation of this proposed rule and the final rule.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)
It is anticipated that implementation of this proposed rule will not affect revenue collections in FY 17-18 other than the federal share of the promulgation costs. This proposed rule is anticipated to result in increased federal revenue collections of approximately \$204,154 for FY 18-19 and \$296,400 for FY 19-20. It is anticipated that \$270 will be collected in FY 17-18 for the federal share of the administrative expense for promulgation of this proposed rule and the final rule.
- III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)
In compliance with U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services mandates, this proposed rule amends the provisions governing the Pharmacy Benefits Management Program to revise the reimbursement methodology for physician-administered drugs in a physician office setting in order to bring the rates into alignment with the 2018 Louisiana Medicare rate, and to incorporate a mechanism for periodic updates to the rates. This proposed Rule will impact payments to providers due to the adjustment to current pricing for some physician-administered drugs. It is anticipated that implementation of this proposed rule will increase programmatic expenditures in the Pharmacy Benefits Management Program by approximately \$266,154 for FY 18-19 and \$392,227 for FY 19-20.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)
This rule has no known effect on competition and employment.

Jen Steele
Medicaid Director
1803#043

Evan Brasseaux
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Insurance
Office of the Commissioner**

**Regulation 78—Policy Form Filing Requirements
(LAC 37:XIII.Chapter 101)**

The Department of Insurance, pursuant to the authority of the *Louisiana Insurance Code*, R.S. 22:1 et seq., and in accordance with the Administrative Procedure Act, R.S. 49:950 et seq., hereby gives notice of its intent to amend Regulation 78—Policy Form Filing Requirements.

The proposed regulation is being amended to provide uniform and consistent procedures regarding the withdrawal of a previously approved policy form filing and the filing fee associated with the change of a company’s name, logo, address or officers.

**Title 37
INSURANCE**

Part XIII. Regulations

**Chapter 101. Regulation 78—Policy Form Filing
Requirements**

**§10109. Filing and Review of Life and Annuity Insurance
Policy Forms and Related Matters**

- A. - I.1 ...
 - a. Prior to withdrawing approval of a filing previously granted, the department will notify the affected insurer in writing of the alleged violation or irregularity. That insurer will then have 15 days to show that the disputed forms are in compliance with the *Louisiana Insurance Code*. If the affected insurer is unable to show compliance, the department will then proceed with issuing the notice of withdrawal of approval.
 - b. The affected insurer may request a hearing on the withdrawal of approval, in accordance with the provisions of Subsection J of this Chapter. The request for hearing must be made to the Division of Administrative Law and to the Department of Insurance, pursuant to R.S. 22:2191.
 - c. Upon receipt by the department of a timely request for a hearing, the 30-day notice period precedent to withdrawal of approval being effective shall be suspended for the duration of the hearing process, and shall recommence upon the date of a ruling adverse to the insurer requesting the hearing, unless injunctive relief has been requested and granted to the department by a court of competent jurisdiction. Such suspension of the notice of withdrawal of approval shall be applicable to Paragraphs I.2, 3, 4 and 5 hereof.

I.2. - K.2 ...

- 3. A change of company name or logo, a change of address, and changes in listed officers do not require a new filing of forms when the department is otherwise properly notified of such change, and a copy of such notification is maintained on file by the insurer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, Directive 169, R.S.22:861 and R.S. 22:862.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 28:2544 (December 2002), amended LR 33:105 (January 2007), LR 42:1947 (November 2016), amended LR 44: