



February 23, 2007

SENATE BILL No. 318

DIGEST OF SB 318 (Updated February 21, 2007 3:15 pm - DI 104)

Citations Affected: IC 12-15.

Synopsis: Medicaid maximum allowable cost update timing. Allows the office of Medicaid policy and planning to implement a change in the office's maximum allowable cost schedule for prescription drugs seven days after the office posts the changes on the office's Internet web site. (Current law requires 45 days before the change may be effective). Allows a pharmacy to determine not to participate in the Medicaid program as a result of a change in the schedule if the pharmacy notifies the office within seven days of the change in the schedule taking effect.

Effective: July 1, 2007.

Miller

January 11, 2007, read first time and referred to Committee on Health and Provider Services.
February 22, 2007, amended, reported favorably — Do Pass.

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SB 318—LS 7123/DI 104+



February 23, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

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SENATE BILL No. 318

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-15-13-6 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) **Except as**
 3 **provided by IC 12-15-35-50**, a notice or bulletin that is issued by:
 4 (1) the office;
 5 (2) a contractor of the office; or
 6 (3) a managed care plan under the office;
 7 concerning a change to the Medicaid program that does not require use
 8 of the rulemaking process under IC 4-22-2 may not become effective
 9 until forty-five (45) days after the date the notice or bulletin is mailed
 10 to the parties affected by the notice or bulletin.
 11 (b) The office must mail a notice or bulletin described in subsection
 12 (a) within five (5) business days after the date on the notice or bulletin.
 13 SECTION 2. IC 12-15-35-50 IS ADDED TO THE INDIANA
 14 CODE AS A **NEW SECTION** TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2007]: **Sec. 50. (a) IC 12-15-13-6 does not**
 16 **apply to this section.**
 17 (b) **The office shall maintain an Internet web site and post on**

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1 the web site any changes concerning the office's maximum
2 allowable cost schedule for drugs.
3 (c) A change in the office's maximum allowable cost schedule for
4 drugs may not take effect less than seven (7) days after the change
5 is posted on the office's Internet web site.
6 (d) The office is not required to mail a notice to providers
7 concerning a change in the office's maximum allowable cost
8 schedule for drugs.
9 (e) A pharmacy may determine not to participate in the
10 Medicaid program because of a change to the office's maximum
11 allowable cost schedule for drugs if the pharmacy notifies the office
12 not less than seven (7) days after the changes take effect.

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COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 318, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, after line 8, begin a new paragraph and insert:

"(e) A pharmacy may determine not to participate in the Medicaid program because of a change to the office's maximum allowable cost schedule for drugs if the pharmacy notifies the office not less than seven (7) days after the changes take effect."

and when so amended that said bill do pass.

(Reference is to SB 318 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 10, Nays 0.

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