

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-2675/2 TJD:amn/jld/kjf

2015 ASSEMBLY BILL 311

August 14, 2015 – Introduced by Representatives Jacque, Kleefisch, Allen, Ballweg, Bernier, Born, Brandtjen, R. Brooks, Craig, Czaja, Edming, Gannon, Heaton, Horlacher, Hutton, Jarchow, Knodl, Knudson, Kooyenga, Kremer, Krug, Kulp, T. Larson, Macco, Murphy, A. Ott, Petersen, Quinn, Rohrkaste, Sanfelippo, Schraa, Skowronski, Steffen, Thiesfeldt, Tittl and Vorpagel, cosponsored by Senators Kapenga, Lazich, LeMahieu, Moulton, Nass, Roth and Stroebel. Referred to Committee on Health.

1 AN ACT to create 49.45 (49g) of the statutes; relating to: billing the Medical

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Assistance program for prescription drugs by certain entities.

Analysis by the Legislative Reference Bureau

This bill requires certain entities, when billing the Medical Assistance (MA) program for reimbursement of a prescription drug, to bill the actual acquisition cost of the prescription drug and the dispensing fee charged under the MA program.

Under current law, the MA program provides coverage for prescription drugs as a benefit. The federal government, under current federal law, has an agreement with drug manufacturers to limit the price of certain drugs purchased by covered entities to the average manufacturer price reduced by any rebate percentage. "Covered entity" is defined in federal law and, for purposes of this bill, means certain family planning projects and certain entities that receive funds related to treatment of sexually-transmitted diseases or tuberculosis. This bill specifies that a covered entity must charge the actual acquisition cost of a prescription drug and the standard MA dispensing fee when billing the MA program for reimbursement.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 49.45 (49g) of the statutes is created to read:

2015 – 2016 Legislature

ASSEMBLY BILL 311

| 1 | 49.45 (49g) BILLING FOR PRESCRIPTION DRUGS. (a) In this subsection: |
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| 2 | 1. "Covered entity" has the meaning given in 42 USC 256b (a) (4) (C) and (K). |
| 3 | 2. "Prescription drug" has the meaning given in s. 450.01 (20). |
| 4 | (b) When billing the Medical Assistance program under this subchapter for |
| 5 | reimbursement for a prescription drug, a covered entity shall bill the actual |
| 6 | acquisition cost of the prescription drug for which coverage is provided under s. 49.46 |
| 7 | (2) (b) 6. h. and a dispensing fee that is equal to the dispensing fee permitted to be |
| 8 | charged for prescription drugs for which coverage is provided under s. 49.46 (2) (b) |
| 9 | 6. h. |
| 10 | (END) |

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