

## HCS HB 1332 -- PHARMACY AUDITS

SPONSOR: Schaaf

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Healthcare Transformation by a vote of 5 to 2.

This substitute establishes guidelines that any entity auditing a pharmacy must follow. Any entity conducting an audit must develop an appeals process under which a pharmacy can appeal an unfavorable audit report. The substitute does not apply to any investigative audits involving fraud, willful misrepresentation, or abuse.

FISCAL NOTE: No impact on General Revenue Fund in FY 2009, FY 2010, and FY 2011. Estimated Cost on Other State Funds of \$25,650 in FY 2009, FY 2010, and FY 2011.

PROPONENTS: Supporters say that the bill protects pharmacies from unfair audits except in cases of fraud, won't impede fraud investigations, and offers an appeals process for pharmacies that have been unfairly penalized. Unfair audits are expensive for pharmacies in both time and money.

Testifying for the bill were Representative Sater; Dale Smith; and Missouri Pharmacy Association.

OPPONENTS: Those who oppose the bill say that the money recuperated in pharmacy audits is not kept by the pharmacy benefit managers, and pharmacy contracts have built in protections for member pharmacies.

Testifying against the bill were Express Scripts; MEDCO Health Solutions; and Chris Liese, CVS/Caremark Rx.