THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1846 Session of 2013

INTRODUCED BY QUINN, MACKENZIE, TURZAI, DIGIROLAMO, BARBIN, COHEN, EVANKOVICH, EVERETT, GERGELY, GINGRICH, GODSHALL, HARHART, MILLARD, R. MILLER, MILNE, NEILSON, OBERLANDER, ROZZI, SAYLOR, SWANGER, WATSON AND KAMPF, NOVEMBER 18, 2013

SENATOR BAKER, LABOR AND INDUSTRY, IN SENATE, AS AMENDED, JULY $1,\ 2014$

AN ACT

Amending the act of June 2, 1915 (P.L.736, No.338), entitled, as reenacted and amended, "An act defining the liability of an employer to pay damages for injuries received by an employe in the course of employment; establishing an elective 4 schedule of compensation; providing procedure for the determination of liability and compensation thereunder; and 7 prescribing penalties," further providing for schedule of compensation. 9 The General Assembly of the Commonwealth of Pennsylvania 10 hereby enacts as follows: 11 Section 1. Section 306(f.1)(3)(vi) of the act of June 2, 12 1915 (P.L.736, No.338), known as the Workers' Compensation Act, 13 reenacted and amended June 21, 1939 (P.L.520, No.281) and 14 amended June 24, 1996 (P.L.350, No.57), is amended to read: 15 Section 306. The following schedule of compensation is 16 hereby established: * * * 17 (f.1) * * *18 (3) * * * 19

- 1 (vi) (A) The reimbursement for [prescription] drugs and
- 2 professional pharmaceutical services shall be limited to one
- 3 hundred [ten] per centum of the average wholesale price (AWP) of <--
- 4 the product, calculated on a per unit basis, as of the date of
- 5 <u>dispensing</u>.
- 6 (B) A physician seeking reimbursement for drugs dispensed by
- 7 <u>a physician shall include the original manufacturer's National</u>
- 8 Drug Code (NDC) number, as assigned by the Food and Drug
- 9 Administration, on the bills and reports required under this
- 10 section.
- 11 (C) In no event may a physician seek reimbursement in excess
- 12 of one hundred TEN per centum of the AWP of the drugs dispensed <--
- 13 by a physician as determined by reference to the original
- 14 <u>manufacturer's NDC number.</u>
- 15 (D) A repackaged NDC number may not be used and will not be
- 16 <u>considered the original manufacturer's NDC number. If a</u>
- 17 physician seeking reimbursement for drugs dispensed by a
- 18 physician does not include the original manufacturer's NDC
- 19 number on the bills and reports required by this section,
- 20 reimbursement shall be limited to one hundred TEN per centum of <--
- 21 the AWP of the least expensive clinically equivalent drug,
- 22 <u>calculated on a per unit basis.</u>
- 23 (E) No outpatient provider, other than a pharmacy licensed <--
- 24 in this Commonwealth or another state, may seek reimbursement
- 25 <u>for drugs dispensed in excess of an initial fifteen day supply,</u>
- 26 commencing upon the employe's initial treatment following
- 27 <u>injury</u>. Reimbursement shall be made for such fifteen day supply
- 28 at the rates set forth in this section.
- 29 (E) NO OUTPATIENT PROVIDER, OTHER THAN A PHARMACY LICENSED <--
- 30 <u>IN THIS COMMONWEALTH OR ANOTHER STATE, MAY DO ANY OF THE</u>

- 1 FOLLOWING:
- 2 (I) SEEK REIMBURSEMENT FOR A DRUG LISTED ON SCHEDULE II IN
- 3 SECTION 4(2) OF THE ACT OF APRIL 14, 1972 (P.L.233, NO.64),
- 4 KNOWN AS THE "CONTROLLED SUBSTANCE, DRUG, DEVICE AND COSMETIC
- 5 ACT, "DISPENSED IN EXCESS OF AN INITIAL SEVEN-DAY SUPPLY,
- 6 COMMENCING UPON THE EMPLOYE'S INITIAL TREATMENT BY A HEALTH CARE
- 7 PROVIDER UNDER THE PARTICULAR WORKERS' COMPENSATION CLAIM
- 8 <u>NUMBER. SHOULD THE EMPLOYE REQUIRE SURGERY, AN ADDITIONAL</u>
- 9 <u>FIFTEEN-DAY SUPPLY CAN BE DISPENSED COMMENCING ON THE DATE OF</u>
- 10 SURGERY.
- 11 (II) SEEK REIMBURSEMENT FOR A DRUG LISTED ON SCHEDULE III IN
- 12 SECTION 4(2) OF THE "CONTROLLED SUBSTANCE, DRUG, DEVICE AND
- 13 COSMETIC ACT, " WHICH CONTAINS HYDROCODONE DISPENSED IN EXCESS OF
- 14 AN INITIAL SEVEN-DAY SUPPLY, COMMENCING UPON THE EMPLOYE'S
- 15 <u>INITIAL TREATMENT BY A HEALTH CARE PROVIDER UNDER THE PARTICULAR</u>
- 16 WORKERS' COMPENSATION CLAIM NUMBER.
- 17 (III) SEEK REIMBURSEMENT FOR ANY OTHER DRUG DISPENSED IN
- 18 EXCESS OF AN INITIAL TWENTY-DAY SUPPLY, COMMENCING UPON THE
- 19 EMPLOYE'S INITIAL TREATMENT BY A HEALTH CARE PROVIDER UNDER THE
- 20 PARTICULAR WORKERS' COMPENSATION CLAIM NUMBER.
- 21 (IV) REIMBURSEMENT FOR ALL DRUGS DISPENSED IN ACCORDANCE
- 22 WITH THIS SUBSECTION SHALL BE MADE AT THE RATES SET FORTH IN
- 23 THIS SECTION.
- 24 (F) No outpatient provider, other than a pharmacy licensed
- 25 in this Commonwealth or another state, may seek reimbursement
- 26 for an over-the-counter drug.
- 27 <u>(G) THE WORKERS' COMPENSATION ADVISORY COUNCIL SHALL</u>
- 28 ANNUALLY CONDUCT A STUDY OF THE IMPACT OF THIS SUBCLAUSE,
- 29 INCLUDING CALCULATION OF THE SAVINGS ACHIEVED IN THE DISPENSING
- 30 OF PHARMACEUTICALS.

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- 1 (G) (H) For purposes of this subclause, clinical
- 2 <u>equivalence</u>, in reference to a drug, means the drug has chemical

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- 3 equivalents which, when administered in the same amounts, will
- 4 provide essentially the same therapeutic effect as measured by
- 5 the control of a symptom or a disease.
- 6 * * *
- 7 Section 2. This act shall take effect in 60 days.