

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Appropriations Committee
 2 Representative Cummings offered the following:

Amendment (with title amendment)

5 Remove everything after the enacting clause and insert:

6 Section 1. Section 465.1885, Florida Statutes, is created
 7 to read:

8 465.1885 Pharmacy audits; rights.—

9 (1) If an audit of the records of a pharmacy licensed
 10 under this chapter is conducted directly or indirectly by a
 11 managed care company, an insurance company, a third-party payor,
 12 a pharmacy benefit manager, or an entity that represents
 13 responsible parties such as companies or groups, referred to as
 14 an "entity" in this section, the pharmacy has the following
 15 rights:

16 (a) To be notified at least 7 calendar days before the
 17 initial on-site audit for each audit cycle.

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18 (b) To have the on-site audit scheduled after the first 3
19 calendar days of a month unless the pharmacist consents
20 otherwise.

21 (c) To have the audit period limited to 24 months after
22 the date a claim is submitted to or adjudicated by the entity.

23 (d) To have an audit that requires clinical or
24 professional judgment conducted by or in consultation with a
25 pharmacist.

26 (e) To use the written and verifiable records of a
27 hospital, physician, or other authorized practitioner, which are
28 transmitted by any means of communication, to validate the
29 pharmacy records in accordance with state and federal law.

30 (f) To be reimbursed for a claim that was retroactively
31 denied for a clerical error, typographical error, scrivener's
32 error, or computer error if the prescription was properly and
33 correctly dispensed, unless a pattern of such errors exists,
34 fraudulent billing is alleged, or the error results in actual
35 financial loss to the entity.

36 (g) To receive the preliminary audit report within 120
37 days after the conclusion of the audit.

38 (h) To produce documentation to address a discrepancy or
39 audit finding within 10 business days after the preliminary
40 audit report is delivered to the pharmacy.

41 (i) To receive the final audit report within 6 months
42 after receiving the preliminary audit report.

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43 (j) To have recoupment or penalties based on actual
44 overpayments and not according to the accounting practice of
45 extrapolation.

46 (2) The rights contained in this section do not apply to:

47 (a) Audits in which suspected fraudulent activity or other
48 intentional or wilful misrepresentation is evidenced by a
49 physical review, review of claims data or statements, or other
50 investigative methods;

51 (b) Audits of claims paid for by federally funded
52 programs;

53 or

54 (c) Concurrent reviews or desk audits that occur within 3
55 business days of transmission of a claim and where no chargeback
56 or recoupment is demanded.

57 (3) An entity that audits a pharmacy located within a
58 Health Care Fraud Prevention and Enforcement Action Team (HEAT)
59 Task Force area designated by the United States Department of
60 Health and Human Services and the United States Department of
61 Justice may dispense with the notice requirements of paragraph
62 (1) (a) if such pharmacy has been a member of a credentialed
63 provider network for less than 12 months.

64 Section 2. This act shall take effect October 1, 2014.

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T I T L E A M E N D M E N T

Remove everything before the enacting clause and insert:

A bill to be entitled

An act relating to pharmacy audits; creating s.
465.1885, F.S.; enumerating the rights of pharmacies
relating to audits of pharmaceutical services which
are conducted by certain entities; providing a list of
audits not subject to such rights; providing an
exemption from the right to notice of an on-site audit
under certain circumstances; providing an effective
date.