

Committee on Banking and Insurance

CS/SB 662 — Workers' Compensation

by Appropriations Committee and Senator Hays

The bill revises provisions relating to reimbursement for prescription medications under ch. 440, F.S., Florida's Workers' Compensation Law in the following manner:

- Revises the amount of reimbursement for prescription medications of workers' compensation claimants by providing that the reimbursement rate for repackaged or relabeled drugs dispensed by a dispensing practitioner would be capped at 112.5 percent of the average wholesale price (AWP), plus \$8.00 for the dispensing fee.
- Maintains the reimbursement rate for other prescription medications at AWP plus \$4.18 dispensing fee.
- Provides that the AWP would be calculated by multiplying the number of units dispensed times the per-unit AWP set by the original manufacturer of the underlying drug dispensed, based upon the published manufacturer AWP published in the Medi-Span Master Drug Database as of the date of dispensing.
- Provides an exception to the reimbursement schedule if the employer or carrier, or a third party acting on behalf of the employer or carrier, directly contracts with a provider seeking reimbursement at a lower rate.
- Prohibits a dispensing practitioner from possessing such medications unless payment has been made to the supplying manufacturer, wholesaler, distributor, or drug repackager within 60 days of the dispensing practitioner taking possession of the medication.

Chapter 440, F.S., generally requires employers and carriers to provide medical and indemnity benefits to workers who are injured due to an accident arising out of and during the course of employment. Medical benefits can include, but are not limited to, medically necessary care and treatment, and prescription medications. In Florida, the prescription reimbursement rate for dispensing physicians and pharmacies is the AWP plus a \$4.18 dispensing fee, or the contracted rate, whichever is lower.

The National Council on Compensation Insurance estimates that the implementation of the bill would reduce workers' compensation insurance costs by 0.7 percent or approximately \$20 million based on preliminary 2012 statewide workers' compensation insurance premium (insurers and self-insurers).

The Division of Risk Management in the Department of Financial Services estimates that implementation of the bill would result in an estimated annual increase in prescription drug costs of \$210,377 to the State Risk Management Program.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 39-0; House 115-0