

CHAPTER NO. 915

SENATE BILL NO. 3423

By Jackson

Substituted for: House Bill No. 3206

By Odom, Litz, Hensley, Moore, Marrero

AN ACT to amend Tennessee Code Annotated, Title 4, and to enact the "TennCare Pharmacy Cost to Dispense Act of 2006".

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The title of this act is, and may be cited as, the "TennCare Pharmacy Cost to Dispense Act of 2006".

SECTION 2. Tennessee Code Annotated, Section 4-3-1013, is amended by inserting the following language as a new subsection (f) thereto:

(f) The TennCare Bureau shall be required to competitively procure an annual study designed to accurately assess the cost of dispensing a prescription in a retail or community pharmacy setting to a TennCare enrollee. The study must be performed by a postsecondary academic institution with knowledge of pharmacy business operations and that has the expertise to conduct business cost allocation studies and must include all nationally recognized and accepted parameters of a typical "cost to dispense" study. Additional parameters may be added by the researchers awarded the study contract in order to accurately reflect the nature of pharmacy practice in the TennCare preferred drug list environment. The study shall include retrospective analyses designed to provide a current estimation of the cost to dispense and the contracted researchers shall report their findings to the TennCare oversight committee of the general assembly, the Commissioner of Finance and Administration, and the Bureau of TennCare on or before January 15th of each calendar year, beginning on January 15, 2007.


SECTION 3. The implementation of provisions of this act shall be subject to the availability of funding for such purpose.

SECTION 4. It is the legislative intent that this act shall be funded from state, federal, foundation or other private funds or from any combination of such funds.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 27, 2006


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 20th day of June 2006


PHIL BREDESEN, GOVERNOR