



Government Affairs Alert

May 6, 2010

Florida House Bill 5603 and the Impact on Doctor Dispensing

On the last day of Florida’s legislative session, Florida’s Division of Workers’ Compensation (DWC), working in conjunction with the Florida Legislature, moved quickly to implement a solution to the growing problem of doctor dispensing in workers’ compensation. Representatives from DWC met with members of a Legislative Conference Committee who were ironing out details of a separate workers’ compensation bill (HB 5603) to discuss the issue. As a result, Representative Hays, the bill sponsor, accepted language to amend his underlying workers’ compensation bill to change current pharmacy fee scheduled statute language (440.13(12)(c)) to deal with doctor dispensing. The amended language found in HB 5603 specifically states:

“The reimbursement amount for a drug that has been repackaged or relabeled shall be calculated by multiplying the number of units dispensed times the per-unit average wholesale price set by the original manufacturer of the underlying drug, which shall not be the manufacturer of the repackaged or relabeled drug, plus a \$4.18 dispensing fee, except when the carrier has contracted for a lower amount. In no case shall the repackaged or relabeled drug price exceed the amount otherwise payable had the drug not been repackaged or relabeled.” Florida House Bill 5603, Section 6.

Once signed into law, this language should close loopholes allowing dispensing doctors to “up charge” medication ingredient costs simply because drugs are dispensed in an office setting. The amendment language and work of Legislative Conference Committee took place on the last two days of session, with DWC’s amendment language being accepted on Thursday, April 29, 2010, and HB 5603 passing on the last day of the session, April 30, by unanimous votes in both Chambers.

Language of the bill, set to take effect on July 1, 2010, still needs approval/signature of Florida’s Governor Charlie Crist, and thus PMSI urges our clients to contact the Governor and push for him to sign HB 5603 into law. To do so, please contact Governor Crist via:

Email: Charlie.Crist@MyFlorida.com
Phone: 850.488.7146

Once signed into law, the bill may require additional clarification through DWC rulemaking, which DWC indicates may take place in late June. PMSI believes our efforts (such as PMSI’s Government Affairs Alert on Physician Dispensing dated March 26, 2010) and the efforts of our clients to discuss this issue with DWC and the Florida Legislature helped to initiate DWC’s amendatory language, and we applaud DWC’s actions in moving quickly to properly address the issue of doctor dispensing.

PMSI will provide additional follow-up to our clients upon final approval by the Governor and necessary rulemaking by DWC.



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