

House Bill 964

By: Representatives Harden of the 147<sup>th</sup>, Stephens of the 164<sup>th</sup>, Parrish of the 156<sup>th</sup>, Smith of the 70<sup>th</sup>, Coleman of the 97<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 26-4-118 of the Official Code of Georgia Annotated, relating to  
2 "The Pharmacy Audit Bill of Rights," so as to limit recoupment pursuant to an audit under  
3 certain circumstances; to require audit parameters to be equally applied to local and  
4 mail-order pharmacies; to provide for independent audits by the state; to provide for related  
5 matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 26-4-118 of the Official Code of Georgia Annotated, relating to "The  
9 Pharmacy Audit Bill of Rights," is amended by revising paragraphs (3) and (6) of subsection  
10 (b) and by adding a new subsection to read as follows:

11 "(3) Any clerical or record-keeping error, such as a typographical error, scrivener's error,  
12 or computer error, regarding a required document or record ~~may shall~~ not in and of itself  
13 constitute fraud or abuse; ~~however, such claims may~~ and shall not be subject to  
14 recoupment. No such claim shall be subject to criminal penalties without proof of intent  
15 to commit fraud;"

16 "(6) Each pharmacy and prescription shall be audited under the same standards and  
17 parameters as other ~~similarly situated~~ pharmacies, whether local or mail-order, and  
18 prescriptions audited by the entity, and with the same frequency;"

19 "(g) The state shall have the right to independently audit any pharmacy or pharmacist in  
20 such pharmacy in which an insurance company or pharmacy benefits manager contracting  
21 with the state owns a 10 percent or greater share of said pharmacy. Such independent audit  
22 shall be for the purpose of determining if the state is receiving the full amount of contracted  
23 rebates to include all funds that pass from the drug product manufacturer or supplier to the  
24 insurance company or pharmacy benefits manager."

25

**SECTION 2.**

26 All laws and parts of laws in conflict with this Act are repealed.