

House Bill 1119

By: Representatives Carpenter of the 4th, Bonner of the 73rd, Stephens of the 164th, Gullett of the 19th, and Yearata of the 152nd

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 9 of Title 34 of the Official Code of Georgia Annotated, relating to
2 workers' compensation, so as to provide for pharmacy care guidelines and pharmacy
3 management networks under workers' compensation; to provide limitations for providers
4 prescribing certain medications; to provide for limitations for providers dispensing certain
5 medications; to provide for reimbursement; to provide for pharmacy management networks;
6 to provide for notice; to provide for any willing dispensing provider to join a network; to
7 provide for registration; to provide for a registration fee; to provide for requirements; to
8 provide for exemption; to provide for definitions; to provide for rules and regulations; to
9 provide for related matters; to provide for an effective date; to repeal conflicting laws; and
10 for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

13 Chapter 9 of Title 34 of the Official Code of Georgia Annotated, relating to workers'
14 compensation, is amended in Part 1 of Article 6, relating to medical attention for payment
15 of compensation, by adding new Code sections to read as follows:

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16 "34-9-201.1.

17 (a) As used in this Code section, the term:

18 (1) 'Compounded medication' means a custom made prescription drug prepared by a
19 pharmacist or dispensing provider by mixing or altering ingredients to fit a patient's
20 unique needs.

21 (2) 'Dispensing provider' means an individual who is a licensed pharmacist or licensed
22 physician.

23 (3) 'Off-label medication' means a prescription drug used for a condition, age group,
24 dosage, or route not listed in its official label.

25 (4) 'Pharmacy care' means those services related to the interpretation, evaluation, or
26 dispensing of prescription drug orders; the participation in drug and device selection,
27 drug administration, and drug regimen reviews; and the provision of related patient
28 counseling.

29 (5) 'Pharmacy management network' means a group or groups of participating dispensing
30 providers contracted by an employer to provide pharmacy care to injured workers
31 receiving benefits under workers' compensation.

32 (b) An employer may provide pharmacy care to injured employees receiving benefits
33 under workers' compensation through a pharmacy management network or through such
34 employee's choice of pharmacy or dispensing provider.

35 (c) Any prescribing provider providing pharmacy care to an injured employee applying
36 for or receiving benefits under workers' compensation shall prescribe medications in
37 accordance with the provisions of this chapter and board rules. Such provider shall:

38 (1) Document medical necessity, obtain prior authorization, and be limited to prescribing
39 a 30 day supply for any off-label medication; and

40 (2) Document consideration of commercially available drugs that are approved by the
41 federal Food and Drug Administration and medical reasons for any compounded

42 medication, obtain prior authorization for such medication, and be limited to prescribing
43 a 90 day supply total to be provided in 30 day supply increments for such medication.

44 (d) Any dispensing provider providing pharmacy care to an injured employee applying for
45 or receiving workers' compensation benefits in the first seven days following the date of
46 injury shall dispense medications in accordance with the provisions of this chapter and
47 board rules. Dispensing shall be limited to:

48 (1) A single five-day supply for Schedule II and Schedule III drugs; and

49 (2) A single 14 day supply for all other medications.

50 (e) Reimbursement for a dispensing provider shall be in accordance with the fee schedule
51 established by the board; provided, however, that dispensing providers contracted with a
52 pharmacy management network shall not be subject to the limitations or reimbursement
53 standards provided in this Code section and may dispense medications to injured
54 employees based on the provisions in the pharmacy management network contract.

55 (f) The board is authorized to promulgate rules necessary for the administration of this
56 Code section.

57 34-9-201.2.

58 (a) As used in this Code section, the term:

59 (1) 'Dispensing provider' shall have the same meaning as set forth in Code
60 Section 34-9-201.1.

61 (2) 'Pharmacy care' shall have the same meaning as set forth in Code Section 34-9-201.1.

62 (3) 'Pharmacy management network' shall have the same meaning as set forth in Code
63 Section 34-9-201.1.

64 (b) An employer may establish or contract with a pharmacy management network to
65 provide pharmacy care to injured employees receiving benefits under workers'
66 compensation; provided, however, that, if such employer requires such care to be provided
67 exclusively through such network, such employer shall provide notice as follows:

68 (1) When the pharmacy management network is first established, the employer shall
69 provide notice to all employees, either by posting in a prominent location in the
70 workplace or by providing in paper or electronic format, information about and processes
71 for filling a prescription through such network; and

72 (2) When a reported injury occurs, the employer shall provide notice to the employee,
73 either by providing in paper or electronic format, information about the requirements to
74 use such network and information on dispensing providers participating in such network.

75 (c) If an employer complies with the provisions of subsection (b) of this Code section, any
76 injured employee can obtain medications that are medically necessary, compliant with
77 pharmacy care guidelines provided for in Code Section 34-9-201.1, and related to a
78 compensable claim from his or her choice of dispensing provider or a dispensing provider
79 participating in the pharmacy management network; provided, however, that, if such
80 medications are obtained from a dispensing provider that is not part of such network, they
81 shall be reimbursed at the fee schedule amount established by the board until such
82 dispensing provider is provided notice by the employer or the pharmacy management
83 network that:

84 (1) The injured employee is required to obtain pharmacy care through a dispensing
85 provider participating in the pharmacy management network;

86 (2) Future pharmacy care through such dispensing provider shall not be reimbursed; and

87 (3) The dispensing provider is invited to join such network, provided that such network
88 shall accept as part of the network any dispensing provider that is licensed, in good
89 standing, and willing to contract with such network and abide by the contract terms with
90 such network.

91 (d) Any pharmacy management networks providing pharmacy care for injured employees
92 pursuant to this Code section shall register with the board and pay a licensing fee in an
93 amount established by the board sufficient to cover administration of the provisions of this
94 Code section.

- 95 (e) A pharmacy management network shall:
96 (1) Provide a timely process for participating dispensing providers to dispute a denial or
97 the amount of reimbursement of a pharmacy bill;
98 (2) Reimburse participating dispensing providers promptly but may contract for
99 reimbursement amounts different from the fee schedule amount established by the board;
100 (3) Not charge participating dispensing providers any fees, direct or indirect, associated
101 with dispensing, processing, or billing for a prescription drug dispensed to an injured
102 employee or any fee related to the enrollment or annual reenrollment of a participating
103 dispensing provider in such network;
104 (4) Offer a mail order option for injured employees to obtain medications;
105 (5) Perform any audits of dispensing providers in accordance with the audit provisions
106 in Code Section 26-4-118, 'The Pharmacy Audit Bill of Rights'; and
107 (6) Reimburse pharmacy processing agents or third-party billers accepting assignment
108 of bills from participating dispensing providers at the contractual amount agreed upon
109 with the assigning dispensing provider.
- 110 (f) For claims that are controverted or being disputed for compensability, any injured
111 employee shall not be required to use a dispensing provider in the pharmacy management
112 network until such time as compensability is established and notice of compensability is
113 provided to such employee.
- 114 (g) Registered pharmacy management networks providing pharmacy care under this Code
115 section are exempt from the provisions of Article 2 of Chapter 23 of Title 33, relating to
116 licensing of administrators, and the provisions of Chapter 64 of Title 33, relating to the
117 regulation and licensure of pharmacy benefit managers.
- 118 (h) The board is authorized to promulgate rules necessary for the administration of this
119 Code section."

120 **SECTION 2.**

121 This Act shall become effective on January 1, 2027.

122 **SECTION 3.**

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