

ASSEMBLY BILL

No. 627

Introduced by Assembly Member Gomez

February 24, 2015

An act to amend Section 4431 of the Business and Professions Code, relating to audits of pharmacy benefits.

LEGISLATIVE COUNSEL'S DIGEST

AB 627, as introduced, Gomez. Audits of pharmacy benefits.

Existing law imposes specified requirements on an audit of pharmacy services provided to beneficiaries of a health benefit plan. Existing law provides that those requirements do not apply to an audit conducted because a pharmacy benefit manager, carrier, health benefit plan sponsor, or other 3rd-party payer has indications that support a reasonable suspicion that criminal wrongdoing, willful misrepresentation, fraud, or abuse has occurred, or to an audit conducted by, or at the direction of, the California State Board of Pharmacy, the State Department of Health Care Services, the State Department of Public Health, or the Medicare program.

This bill would make nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 4431 of the Business and Professions
- 2 Code is amended to read:
- 3 4431. (a) ~~Nothing in this~~ *This* chapter shall *not* apply to an
- 4 audit conducted because a pharmacy benefit manager, carrier,

1 health benefit plan sponsor, or other third-party payer has
2 indications that support a reasonable suspicion that criminal
3 wrongdoing, willful misrepresentation, fraud, or abuse has
4 occurred.

5 (b) ~~Nothing in this~~ *This* chapter shall *not* apply to an audit
6 conducted by, or at the direction of, the California State Board of
7 Pharmacy, the State Department of Health Care Services, the State
8 Department of Public Health, or the Medicare program.