

House Bill 1846 on Physician Dispensing Passes the House

On Monday, October 20, 2014 House Bill 1846 was signed and sent on its way to Governor Corbett for his signature. HB 1846 is described as an “Act amending the act of June 2, 1915 (P.L.736, No.338), known as the Workers’ Compensation Act, further providing for schedule of compensation and for use of savings.” You can read the final version of HB 1846 [here](#).

A brief summary of the terms of the bill:

- Limits physician dispensing to 7 days for Schedule II & III drugs unless a medical procedure, including surgery, is required then an additional 15 days for Schedule II & III drugs are permitted, starting on the date of the medical procedure.
- Physician dispensing is limited to 30 days for all other drugs.
- Reimbursement of over-the-counter drugs by all outpatient providers is prohibited.
- All physician-dispensed drugs will be reimbursed at no more than 110% of the average wholesale price of the original manufactured product, not a repackaged product.
- The Workers’ Compensation Advisory Council will be required to conduct an annual study on the impact of physician dispensing, including the calculation of savings.
- Clarifies the dispensation by a health care provider is for “an injury related to a specific workers’ compensation claim” and clarifies the 7 day and 30 day limitations are a one-time supply.

- Adds a subsection clarifying the dispensation period is limited to the first health care provider and no other health care providers can seek reimbursement for drugs dispensed under the same workers' compensation claim.
- Within 18 months, requires the Pennsylvania Compensation Rating Bureau to calculate the savings, and then in 2016, requires a reduction in rates equal to the savings.