



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **SB 368** SLS 26RS 245  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 31, 2026 12:48 PM	<b>Author:</b> BASS
<b>Dept./Agy.:</b> Louisiana Department of Insurance	
<b>Subject:</b> Prescription drug pricing	<b>Analyst:</b> Anthony Shamis

PHARMACEUTICALS OR +\$270,360 SG EX See Note Page 1 of 2  
 Provides for prescription drug pricing. (8/1/26)

Proposed law provides for prescription drug pricing transparency. Proposed law requires a pharmaceutical drug manufacturer to notify the Commissioner of Insurance and Secretary of the Louisiana Department of Health (LDH) no later than 30 days after increases in wholesale acquisition drug prices by a higher percentage than the preceding year for brand name drugs, generic, or biosimilar drugs; and certain new drugs introduced for distribution in the state that have a wholesale acquisition cost greater than the amount to make the drug be considered a specialty drug. Proposed law requires that any prescription drugs that meet these requirements be reported to the commissioner and secretary, including certain information about the drug. No later than 30 days after receipt of a notice, the commissioner and secretary shall jointly request pricing component data. No later than 60 days from the date of receiving the request from the commissioner and secretary, a reporting entity shall provide notification of pricing component data with a signed or written certification of accuracy. Proposed law requires the Louisiana Department of Insurance (LDI) and LDH to make the provided information publicly available on their websites. Failure of any reporting entity to provide the required information shall be considered an unfair method of competition and unfair practice or act. The commissioner or secretary shall refer reporting entities in violation to the Attorney General (AG). Proposed law requires that by January first of each year, the commissioner and secretary submit a joint annual report to the governor, president of the Senate, and speaker of the House of Representative. Effective August 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$270,360	\$43,200	\$43,200	\$43,200	\$43,200	\$443,160
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

**Annual Total**

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

**Annual Total**

**EXPENDITURE EXPLANATION**

Proposed law is anticipated to increase SGR expenditures by \$270,360 for LDI and by an indeterminable, but minimal, amount from the Pharmacy Benefits Manager Enforcement Fund in the AG's office in FY 27. These increases are associated with the prescription drug pricing transparency requirements of the proposed law. There is no anticipated increase in expenditures for LDH. **Note: Increased SGR expenditures within LDI result in less monies reverted to SGF at the end of the fiscal year.**

**LDI:**

Information provided by LDI indicates that any additional duties associated with receiving notices, reviewing submissions, publishing information, and participating in the required annual report can be absorbed within existing staff and resources.

IT Development and Maintenance costs (\$270,360 SGR):

information provided by LDI indicates that implementation will require a professional services contract with an applications development contractor for the development of a pharmaceutical submission portal, modifications to the department's Regulatory Management System (RMS), updates to the public website, and development of an application programming interface (API) for data exchange with LDH.

The estimated cost is based on 1,893 hours of programming at a rate of \$120 per hour for development, testing, and support activities, for a total implementation cost of \$227,160 in FY 27.

Ongoing information technology (IT) maintenance costs are estimated at \$43,200 annually, based on 30 hours per month at a rate of \$120 per hour, beginning in FY 27 and continuing in subsequent fiscal years.

*Note: The LFO is unable to corroborate the estimated IT development costs provided by LDI. To the extent that hours required through an applications development contractor to provide the required services may be higher or lower, corresponding professional services costs would shift accordingly.*

**EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO**

**REVENUE EXPLANATION**

Proposed law is anticipated to have an indeterminable impact on Statutory Dedication revenue within LDI and the Department of Justice. The LFO assumes fines collected through enforcement activities of the AG's office will be deposited into the Pharmacy Benefits Manager Enforcement Fund in accordance with La R.S. 22:1870.1, and used first to provide for the expenses of the commissioner of insurance and the attorney general.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
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**CONTINUED EXPLANATION from page one:**

Page 2 of 2

**EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE**

**AG:**

The AG's office anticipates a minimal increase in expenditures associated with enforcement provisions under the Louisiana Unfair Trade Practices Act. A pharmaceutical drug manufacturer that fails to report required information to LDI and LDH will be referred to the AG's office for enforcement under the Act. Expenditures related to enforcement activities are indeterminable at this time, as the number of pharmaceutical drug manufacturers that may be found in violation of reporting requirements is unknown.

**LDH:**

LDH indicates that no additional expenditures or administrative responsibilities are anticipated as a result of the prescription drug pricing transparency requirements of this measure.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

- 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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