

2026 Regular Session

HOUSE BILL NO. 866

BY REPRESENTATIVE DEWITT

INSURANCE CLAIMS: Prohibits pharmacy benefit managers and managed care plans from reducing pharmacy reimbursements

1 AN ACT

2 To enact R.S. 22:1867.1, relative to the restrictions and prohibitions of pharmacy benefit
3 managers and managed care plans for the reduction of pharmacy reimbursements;
4 to provide for pharmacy benefit managers sanctions; to provide for definitions; and
5 to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1867.1 is hereby enacted to read as follows:

8 §1867.1 Pharmacy benefit managers and managed care plans pharmacy
9 reimbursement restrictions and prohibitions

10 A. For purposes of this Section, the following definitions apply:

11 (1) "Acquisition cost (NADAC)" has the same meaning as provided in R.S.
12 22:1868.

13 (2) "Effective rate pricing" has the same meaning as provided in R.S.
14 22:1867.

15 (3) "Managed care plan" has the same meaning as provided in R.S. 22:1007.

16 (4) "Pass through pricing" means a transparent pharmacy benefit
17 management (PBM) contract model where the amount a PBM or managed care plan
18 pays a pharmacy for a drug is directly passed through to the health plan sponsor.

19 (5) "Pharmacy benefit manager (PBM)" has the same meaning as provided
20 in R.S. 22:1863.

1 (6) "Reimbursement Formula" has the same meaning as provided in R.S. 22:
2 1868.

3 (7) "Spread Pricing" has the same meaning as provided in R.S. 22:1863.

4 (8) "Steering" has the same meaning as provided in R.S. 40:2870.

5 B. Pharmacy benefit managers and managed care plans that contract or
6 provide pharmacy benefit services shall not reimburse any pharmacy located in this
7 state for any of the following amounts:

8 (1) An amount less than the amount that is calculated using the
9 reimbursement formula which shall include this state's professional dispensing fee.

10 (2) An amount less than the amount that the PBM reimburses a PBM
11 affiliate, subsidiary, other related entities for dispensing the same prescription drug
12 as dispensed by the pharmacy.

13 (3) An amount less than the most recently published NADAC for a
14 prescription drug plus this state's professional dispensing fee on the date that the
15 prescription drug is administered or dispensed.

16 (4) An amount less than the NADAC plus this state's professional dispensing
17 fee or wholesale acquisition cost plus this state's professional dispensing fee if the
18 NADAC is unavailable on the date the prescription drug is administered or
19 dispensed.

20 C. A pharmacy benefit manager, in this state, may:

21 (1) Adopt a reimbursement formula using either NADAC as the prescription
22 drug pricing benchmark plus the state's professional dispensing fee or, with prior
23 written approval by the commissioner, an alternative prescription drug pricing
24 benchmark that results in claim payment errors that are both comparable to or less
25 than NADAC in terms of frequency and smaller than NADAC in terms of
26 magnitude; or

27 (2) Adopt a reimbursement formula using an adjustment factor that, based
28 on claims experience data available to the pharmacy benefit manager, is reasonably

1 expected to result in a claim payment error rate of no more than two percent per drug
2 as identified by its national drug code.

3 D. Pharmacy benefit managers and managed care plans that contract or
4 provide pharmacy benefit services, in this state, are prohibited from the following:

5 (1)(a) Spread Pricing

6 (b) A PBM or managed care plan may use direct or indirect spread pricing
7 only if the difference between the amount the third-party payor pays the PBM or
8 managed care plan for a prescription drug and the amount the PBM or managed care
9 plan reimburses the dispensing pharmacy or dispensing health care provider for the
10 prescription drug is passed through by the PBM or managed care plan to the person
11 contracted to receive third-party payor services.

12 (2) Steering

13 (3) Effective rate pricing

14 (4) Using any other method, other than the methods outlined in this Section,
15 to calculate reimbursement costs

16 E. PBMs and managed care plans that contract or provide pharmacy benefit
17 services, in this state, shall use pass-through pricing for every covered claim
18 submitted.

19 F. The failure of a pharmacy benefit manager to reimburse a pharmacy or
20 pharmacist or his agent for the fees authorized in this Section shall be an act for
21 which the pharmacy benefit manager or its agents may be sanctioned by the
22 commissioner; which shall include, but is not limited to, fines in the amount of one
23 hundred thousand dollars or more per violation within a calendar year.

24 Section 2. All contracts executed, amended, adjusted, or renewed on or after
25 July 1, 2026, that are applicable to prescription benefits on or after January 1, 2027,
26 between a pharmacy benefit manager (PBM) or a managed care plan and a payor, or
27 between a person and a payor, to use a pass-through pricing model with an exception
28 as detailed in the bill, and to ensure that payments received by a PBM or managed

1 care plans for providing services to a payor or a pharmacy are used or distributed
2 pursuant to the PBM's or managed care plan's contract with the payor or with the
3 pharmacy, or as otherwise required by law.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 866 Original

2026 Regular Session

Dewitt

Abstract: Prohibits pharmacy benefit managers and managed care plans from reducing pharmacy reimbursements. Requires pharmacy benefit managers and managed care plans to use the pass-through model to submit covered claims in this state.

Proposed law prohibits pharmacy benefit managers and managed care plans from reducing pharmacy reimbursements by spread pricing, steering, or effective rate pricing.

Proposed law restricts pharmacy benefit manager services from PBMs if the PBM and pharmacy are owned by the same company, including subsidiaries, affiliates, or other related entities.

Proposed law provides guidelines for pharmacy reimbursements in this state.

Proposed law limits the ways a PBM or a managed care plan reimburses a pharmacy.

Proposed law adds dates of prescription benefit applicability to all contracts between PBMs, managed care plans, and a payor.

(Adds R.S. 22:1867.1)