2026 Regular Session

HOUSE BILL NO. 918

BY REPRESENTATIVE GALLE

PHARMACIES: Provides relative to pharmaceutical costs

AN ACT

To amend and reenact R.S. 40:2255.1 and R.S. 44:4.1 and to enact R.S. 40:2255.2 through 2255.7, relative to pharmaceutical coats; to direct the development of critical drug list; to provide for prescription drug costs; to direct the Louisiana Department of Health; to provide for violations; to provide for definitions; to provide for pharmaceutical marketing information; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 40:2255.1 is hereby amended and reenacted and R.S. 40:2255.2 through 2255.7 are hereby enacted to read as follows:

§2255.1. Definitions

* * *

(3) "Department" means the Louisiana Department of Health.

(4) "Manufacturer" means any entity which is engaged in the production, preparation, propagation, compounding, conversion, or processing of prescription drugs, whether directly or indirectly by extraction from substances of natural origin, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or any entity engaged in the packaging, repackaging, labeling, relabeling, or distribution of prescription drugs. The term shall not include a wholesale distributor of prescription drugs licensed pursuant to the Louisiana Drug

and Device Distributors Act, R.S. 37:3461 et seq., a retailer, or a pharmacist licensed pursuant to the Louisiana Pharmacy Practice Act, R.S. 37:1161 et seq.

(5) "Wholesale acquisition cost" means the wholesale price charged on a specific prescription drug that is assigned by the drug manufacturer and listed in a nationally recognized drug pricing file.

§2255.2. Critical prescription drug list

A. The department shall develop a list of critical prescription drugs made available in Louisiana for which there is a substantial public interest in understanding the development of pricing for the drugs.

B. In developing the list required by Subsection A of this Section, the department shall consider, at a minimum, all of the following factors:

(1) The cost of the drug to public healthcare programs including but not limited to Medicaid.

(2) The current cost of the drug in the state.

(3) The extent of use of the drug within the state.

(4) The availability and cost of comparable or therapeutically equivalent courses of treatment.

(5) The rate at which the drug is deemed to produce successful outcomes when used to treat the conditions for which it is most commonly prescribed.

(6) Any other objectively quantifiable factors as the committee determines to be relevant to evaluating the significance of the availability of the drug in Louisiana.

C. The department may also consider recommendations for drugs to be included in the list submitted by government agencies, members of the public, and professional organizations representing the pharmaceutical industry, healthcare practitioners, pharmaceutical manufacturers, managed care plans, prescription drug benefit managers, and other insurers.

D. The list developed pursuant to this Section shall be reviewed and updated by the department at least once every three years.

§2255.3. Manufacturer reporting

For each prescription drug that the department places on the critical prescription drug list pursuant to R.S. 40:2255.12, the department shall require the manufacturer of the drug to report the following information to the department:

(1) Total cost of production and approximate cost of production per dose.

(2) Research and development costs of the drug including but not limited to all of the following:

(a) Research and development costs that are paid with public funds.

(b) After-tax research and development costs paid by the manufacturer.

(c) Research and development costs paid by third parties.

(3) Marketing and advertising costs for the drug, apportioned by marketing activities that are directed to consumers, marketing activities that are directed to prescribers, and the total cost of all marketing and advertising that is directed primarily to Louisiana consumers and prescribers.

(4) The prices for the drug that are charged to purchasers outside the United States, by country, for a representative set of countries determined by the department.

(5) Prices charged to typical Louisiana purchasers including but not limited to all of the following:

(a) Pharmacies.

(b) Pharmacy chains.

(c) Pharmacy wholesalers.

(d) Other direct purchasers.

§2255.4. Rulemaking; enforcement

A. The secretary of the department shall adopt any rules and regulations necessary to implement the provisions of this Subpart.

B. The failure of a manufacturer to provide the information required by this Subpart shall constitute a prohibited practice under the Unfair Trade Practices and

Consumer Protection Law, R.S. 51:1401 et seq., and shall be subject to the enforcement provisions of that Chapter.

§2255.15. Confidentiality

A. Information reported to the department pursuant to R.S. 40:2255.3 shall not be deemed to be a public or government record. The information shall be kept confidential and shall be exempt from disclosure.

B. Any public reporting of information submitted pursuant to R.S. 40:2255.3 shall be aggregated to protect the financial, competitive, or proprietary nature of the information.

§2255.6. Report to the legislature

A.(1) The department shall prepare an annual report on prescription drug prices and their role in overall healthcare spending in the state based on the data submitted to the department pursuant to R.S. 40:2255.3 and in accordance with R.S. 40:2255.15.

(2) The department shall identify and include in the report a list of those prescription drugs that have a cost in Louisiana that is excessively high when compared with the cost of the drug in other states and countries and when compared with the overall cost of researching, developing, and producing the drug in light of the number of years the drug has been made available for distribution.

(3) The department may include in the report recommendations for actions to lower prescription drug costs and spending across the state while maintaining access to and the quality of health care.

B. The department shall submit the report to the House and Senate committees on health and welfare no later than sixty days prior to the start of the regular legislative session. The department shall also make the report publicly available on the website of the Louisiana Department of Health.

§2255.7. Disclosure of prescription drug price information; educational or marketing materials; minimum content; violations

A. Any person engaging in any form of prescription drug marketing directly to a healthcare provider with the intent that the provider may prescribe the drug for use by his patients shall include price information in the materials.

B. The price information required by Subsection A of this Section shall include, at a minimum, all of the following:

(1) The date that the educational or marketing materials were prepared.

(2) The name of the drug and of the current manufacturer.

(3)(a) The average wholesale acquisition cost of a thirty day supply of the drug described in the materials as of the date the educational or marketing materials were prepared.

(b) If the described drug is designed to be administered for a duration of therapy of less than thirty days, the proposed duration and wholesale acquisition cost for that period of time as of the date the educational or marketing materials were prepared.

(c) The disclosure of the wholesale acquisition cost shall account for each labeled indication and reflect any differences as a result of different strengths and dosage forms approved for sale.

(4) The date that the drug was first marketed in the United States and the wholesale acquisition cost as of that date.

(5) The wholesale acquisition cost on each date that the price of the drug has changed since the drug was first marketed in the United States.

C.(1) The disclosures required by this Section shall be made on a form and in a manner prescribed by the Louisiana Department of Health.

(2) The completed form shall be provided to the healthcare provider at the same time and in the same manner as any other marketing materials provided to the provider. If the marketing activities are performed telephonically, then the form shall be sent to the healthcare provider by mail or electronically within one business day of the marketing activity.

D. A violation of any provision of this Section shall constitute a prohibited practice under the Unfair Trade Practices and Consumer Protection Law, R.S. 51:1401 et seq., and shall be subject to the enforcement provisions of that Chapter.

E. The Louisiana Department of Health shall adopt, pursuant to the Administrative Procedure Act, R.S. 49:950 et seq., any rules and regulations necessary to implement and enforce the provisions of this Section.

Section 2. R.S. 44:4.1(B)(27) is hereby amended and reenacted to read as follows:

§4.1. Exceptions

* * *

B. The legislature further recognizes that there exist exceptions, exemptions, and limitations to the laws pertaining to public records throughout the revised statutes and codes of this state. Therefore, the following exceptions, exemptions, and limitations are hereby continued in effect by incorporation into this Chapter by citation:

* * *

(27) R.S. 40:3.1, 31.14, 31.27, 39.1, 41, 73, 95, 96, 526, 528, 973.1, 978.2.1, 1007, 1061.21, 1079.18, 1081.10, 1105.6, 1105.8, 1125.14, 1133.8, 1168.3, 1171.4, 1203.4, 1231.4, 1379.1.1(D), 1379.3, 2009.8, 2009.14, 2010.5, 2017.9, 2018, 2018.5, 2019, 2020, 2106, 2109.1, 2138, 2175.7(B)(1), 2193.6, 2255.15, 2532, 2845.1.

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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 918 Original 2026 Regular Session Galle

Abstract: Provides relative to prescription drug costs.

Proposed law requires the La. Dept. of Health (department) to develop and maintain a list of critical prescription drugs for which there is substantial public interest in understanding pricing.

Proposed law requires the department to consider specified factors when developing the list, including cost to public healthcare programs, in-state pricing, usage rates, availability of alternatives, treatment outcomes, and other measurable factors.

Proposed law allows the department to consider recommendations from government agencies, the public, and healthcare and pharmaceutical stakeholders when creating the list.

Proposed law requires the department to review and update the critical prescription drug list at least every three years.

Proposed law requires manufacturers of drugs placed on the critical prescription drug list to report detailed information to the department, including production costs, research and development costs, marketing and advertising costs, foreign pricing, and prices charged to Louisiana purchasers.

Proposed law authorizes the department to adopt rules to implement these reporting requirements and provides that failure to report constitutes a violation of the Unfair Trade Practices and Consumer Protection Law.

Proposed law provides that manufacturer reported information is confidential, exempt from public records disclosure, and may only be publicly reported in aggregated form.

Proposed law requires the department to prepare and submit an annual report to the legislature analyzing prescription drug prices and identifying drugs with excessively high costs compared to other jurisdictions and overall development costs.

Proposed law authorizes the department to include recommendations in the annual report to reduce prescription drug costs while maintaining access and quality of care.

Proposed law requires the annual report to be submitted to the legislature.

Proposed law requires any person marketing a prescription drug directly to a healthcare provider to disclose specified price information in educational or marketing materials.

Proposed law specifies the minimum price disclosures required, including wholesale acquisition cost information, marketing dates, pricing history, and manufacturer information.

Proposed law requires disclosures to be provided in a form prescribed by the department and delivered at the same time and in the same manner as the marketing materials.

Proposed law provides that violations of the drug price disclosure requirements constitute prohibited practices under the Unfair Trade Practices and Consumer Protection Law.

Proposed law adds the confidentiality provision for reported drug pricing information to the list of exceptions under the public records law.

(Amends R.S. 40:2255.1 and R.S. 44:4.1; Adds R.S. 40:2255.2-2255.7)