

2026 Regular Session

HOUSE BILL NO. 919

BY REPRESENTATIVE ECHOLS

INSURANCE/HEALTH: Provides relative to pharmacy benefit managers

1 AN ACT

2 To amend and reenact R.S. 40:2864 and enact R.S. 22:1868(D) and (E), 1870(B)(1)(i) and
3 R.S. 40:2870(A)(21), relative to pharmacy benefit managers reimbursement
4 protections; to provide for pharmacy benefit managers ownership prohibition; to
5 provide for required information; to provide for violation penalties; to provide for
6 prospective and retroactive application; to provide effective dates; and to provide for
7 related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:1868(D) and (E) and 1870(B)(1)(i) are hereby enacted to read as
10 follows:

11 §1868. Local pharmacy reimbursement; National Average Drug Acquisition Costs;
12 appeals

13 * * *

14 D. A pharmacy benefit manager, in this state, shall reimburse under-
15 reimbursed dispensing fees to licensed pharmacies and pharmacists that are not a
16 pharmacy benefit manager owned company, subsidiary, affiliate, or other related
17 entity.

18 (1) A pharmacy benefit manager, in this state, shall bear all costs associated
19 with the reimbursement of under-reimbursed dispensing fees. These costs shall not
20 be assigned to plans, members, pharmacies, nor pharmacists.

1 (2) A pharmacy benefit manager shall not reimburse any pharmacy located
2 in this state;

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

6 (b) An amount less than the NADAC plus this state's professional dispensing
7 fee or wholesale acquisition cost plus this state's professional dispensing fee if the
8 the NADAC is unavailable on the date the prescription drug is administered or
9 dispensed.

10 (c) The floor amount for the dispensing fee shall be twelve dollars per
11 prescription.

12 E. Any officer, director, or employee of a pharmacy benefit manager who
13 willfully and knowingly subscribes to or makes or causes to be made any violations
14 of under-reimbursing ingredient costs or dispensing fees, provides false reports or
15 false filings with the intent to deceive the commissioner in the performance of his
16 duties, pharmacies, or pharmacists, under this Subpart, upon conviction thereof shall
17 be imprisoned with or without hard labor for not more than five years or fined not
18 more than one hundred thousand dollars per violation, or both. Any fines imposed
19 shall be paid by the officer, director, or employee in his individual capacity.

20 (1) Any pharmacy benefit manager who has a revenue over five hundred
21 million in any line of business shall not have a cap on damages, if the pharmacy
22 benefit manager has been found to be in violation of this Section.

23 (2) Any pharmacy benefit manager with annual revenues nationally over five
24 hundred million or a culmination of that amount with their pharmacy benefit
25 manager or subsidiaries have unlimited liability.

26 * * *

27 §1870. Pharmacy benefit manager transparency report; examination by
28 commissioner

29 * * *

1 B.(1) On March first of each year, each licensed pharmacy benefit manager
2 shall submit a transparency report containing data from the prior calendar year to the
3 department. The transparency report shall contain the following information for each
4 of the pharmacy benefit manager's contractual or other relationships with a health
5 benefit plan or health insurance issuer:

6 * * *

7 (i) Sufficient information listing any foreign subsidiary as defined in I.R.C.
8 §3121(I)(8)-1.

9 * * *

10 Section 2. R.S. 40:2864 is hereby amended and reenacted and R.S. 40:2870(A)(21)
11 is hereby enacted to read as follows:

12 §2864. Duties of pharmacy benefit managers

13 A. A pharmacy benefit manager ~~shall owe~~ owes a fiduciary duty to the
14 beneficiaries of any pharmacy benefit management plan administered by the
15 pharmacy benefit manager and to the entities that have entered into a contract with
16 the pharmacy benefit manager the duties of good faith, honesty, trust, confidence,
17 and candor and shall discharge that duty in accordance with the provisions of state
18 and federal law.

19 B. The standard for the fulfillment of a pharmacy benefit manager's duties
20 shall be to act with a high degree of care, skill, prudence, and diligence required of
21 a reasonable and prudent person with substantial experience and expertise in the
22 management of pharmacy benefit management plans and payment of claims. A
23 pharmacy benefit manager shall perform its fiduciary duty with care, skill, prudence,
24 and diligence, and in accordance with the standards of conduct applicable to a
25 fiduciary in an enterprise of a like character and with like aims.

26 (1) A pharmacy benefit manager shall notify the beneficiaries or contracted
27 entities to which it acts as a fiduciary in writing of any activity, policy, or practice
28 of the pharmacy benefits manager that directly or indirectly presents any conflict of
29 interest with the duties imposed by this Section.

