

2026 Regular Session

HOUSE BILL NO. 870

BY REPRESENTATIVE TURNER

INSURANCE/HEALTH: Provides relative to formulary placement and cost-sharing requirements for certain generic drugs and biosimilars

1 AN ACT

2 To enact R.S. 22:1060.9, relative to health insurance; to establish requirements for
3 formulary placement and cost-sharing obligations for specific generic drugs and
4 biosimilars; to prohibit certain utilization management practices; to provide
5 definitions; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1060.9 is hereby enacted to read as follows:

8 §1060.9. Formulary placement; coverage requirements for certain generic drugs and
9 biosimilars

10 A. For purposes of this Section, the following terms have the meanings
11 ascribed to them in this Subsection:

12 (1) "Biosimilar" means any biological product that is licensed under 42
13 U.S.C. §262(k) and has been listed in the United States Food and Drug
14 Administration's (FDA) Database of Licensed Biological Products ("Purple Book")
15 as biosimilar to or interchangeable with a reference biological product.

16 (2) "Brand drug" means a drug for which an application has been approved
17 under 21 U.S.C. §355(c), or a biological product, other than a biosimilar, that is
18 licensed under 42 U.S.C. §262(a).

1 (3) "Formulary" means a list of prescription drugs that is developed by a
2 Pharmacy and Therapeutics (P&T) Committee or other clinical and pharmacy
3 experts and represents a health plan's prescription drugs approved for use.

4 (4) "Generic drug" means a drug for which an application has been approved
5 under 21 U.S.C. §355(j) and which has been listed in the United States Food and
6 Drug Administration's Approved Drug Products with Therapeutic Equivalence
7 Evaluations ("Orange Book") as therapeutically equivalent to a reference drug, even
8 if the manufacturer of such drug applies a trade name to the drug.

9 (5) "Reference listed drug" is the listed drug identified by the United States
10 Food and Drug Administration as the drug product upon which an applicant relies
11 in seeking approval of its application submitted under 21 U.S.C. §355(j).

12 (6) "Reference product" is a single biological product, licensed by the United
13 States Food and Drug Administration under 42 U.S.C. §262(a), against which a
14 proposed biosimilar or interchangeable product is compared, and listed as a reference
15 product in the United States Food and Drug Administration's Database of Licensed
16 Biological Products ("Purple Book").

17 (7) "Wholesale acquisition cost" has the same definition as "wholesale
18 acquisition cost" in 42 U.S.C. Section 1395w-3a(c)(6)(B).

19 B. If a generic drug is approved and marketed pursuant to Paragraph (A)(1)
20 of this Section, and has a wholesale acquisition cost that is lower than the wholesale
21 acquisition cost of its reference listed drug on the generic drug's initial date of
22 marketing, a health insurance issuer that provides coverage for the reference listed
23 drug on that date shall do all of the following:

24 (1)(a) Immediately make the generic drug available on the plan formulary
25 on a tier with more favorable cost sharing, including actual out-of-pocket costs, than
26 the cost sharing applicable to the reference listed drug.

27 (b) Not impose prior authorization, step therapy, or any other limitation on
28 coverage of the generic drug for which formulary placement is required by this
29 Paragraph.

1 (c) Not impose any restriction on the pharmacy through which an enrollee
2 may obtain the generic drug that makes it more difficult for an enrollee to obtain
3 coverage of or access to the generic drug than the reference listed drug.

4 (2) The requirements of this Subsection shall remain in effect if the
5 wholesale acquisition cost of the generic drug remains lower than the wholesale
6 acquisition cost of the reference listed drug.

7 C. If a biosimilar is licensed and marketed pursuant to Paragraph (A)(3) of
8 this Section and has a wholesale acquisition cost that is lower than the wholesale
9 acquisition cost of its reference product on the biosimilar's initial date of marketing,
10 a health insurance issuer that provides coverage for the reference product on that date
11 shall do all of the following:

12 (1)(a) Immediately make at least one biosimilar available on the plan
13 formulary on a tier with more favorable cost sharing, including actual out-of-pocket
14 costs, than the cost sharing applicable to the reference product.

15 (b) Not impose prior authorization, step therapy, or any other limitation on
16 coverage of the biosimilar for which formulary placement is required by this
17 Paragraph.

18 (c) Not impose any restriction on the pharmacy through which an enrollee
19 may obtain the biosimilar that makes it more difficult for an enrollee to obtain
20 coverage of or access to the biosimilar than to the reference product.

21 (2) The requirements of this Subsection shall remain in effect if the
22 wholesale acquisition cost of the biosimilar remains lower than the wholesale
23 acquisition cost of the reference product.

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 870 Engrossed

2026 Regular Session

Turner

Abstract: Requires health insurance issuers to provide favorable formulary placement and prohibits the implementation of utilization management barriers for specific generic

drugs and biosimilars with lower wholesale acquisition costs than their corresponding reference products.

Proposed law defines "biosimilar", "brand drug", "formulary", "generic drug", "reference listed drug", "reference product", and "wholesale acquisition cost".

Proposed law mandates that health insurance issuers providing coverage for a reference listed drug must immediately include a newly marketed generic drug on the plan formulary with more favorable cost-sharing arrangements, provided that the wholesale acquisition cost of the generic drug is lower than that of the reference listed drug at the time of the generic drug's initial marketing date.

Proposed law prohibits prior authorization, step therapy, or any other restrictions that would make accessing the generic drug more challenging than accessing the reference listed drug. Proposed law stipulates preventing any limitations on the pharmacies through which an enrollee can obtain the generic drug. Proposed law remains in effect as long as the wholesale acquisition cost of the generic drug remains lower than that of the reference listed drug.

Proposed law requires that health insurance issuers providing coverage for a reference product must immediately include at least one biosimilar on the formulary with more favorable cost-sharing when the biosimilar's wholesale acquisition cost is lower than that of the reference product at its initial marketing date. Similar to the provisions for generics, proposed law prohibits prior authorization, step therapy, or limitations that hinder access to the biosimilar compared to the reference product, along with restrictions on the pharmacies that can dispense the biosimilar. Proposed law remains in place as long as the biosimilar's wholesale acquisition cost remains lower than that of the reference product.

(Adds R.S. 22:1060.9)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Revise and implement a set of technical definitions for the following terms: "Biosimilar", "Brand drug", "Formulary", "Generic drug", "Reference listed drug", "Reference product", and "Wholesale acquisition cost".