
DIGEST

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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".