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CONFERENCE COMMITTEE REPORT DIGEST

SB 387

2026 Regular Session

Bass

Keyword and summary of the bill as proposed by the Conference Committee

HEALTH/ACC INSURANCE. Provides relative to pharmacy benefit managers

Report adopts House amendments to:

1. Clarify that pharmacy benefit manager service fees may be assessed only on a per-prescription or per-event basis.
2. Authorize the commissioner of insurance to share confidential pharmacy benefit manager information with a Prescription Drug Affordability Board established pursuant to present law and proposed law.
3. Refine formulary language to require that comparable drugs be offered within the same formulary tier and cost-sharing structure.
4. Make technical changes.

Report rejects House amendments which would have:

1. Defined "net acquisition cost".
2. Delayed implementation of proposed law by one year.
3. Established a phase-in by applying proposed law to new plans starting January 1, 2028, and requiring existing plans to comply by renewal, no later than January 1, 2029.

Report amends the bill to:

1. Clarify the definition of "enrollee".
2. Add nonprofit health systems owned and operated in this state to the definition of "local pharmacy".

3. Change the definition of "pharmacy benefit manager" to include the corporate vertical structure of the PBM.
4. Change the definition of "rebate" to include all drug manufacturer price concessions, whether negotiated or not.
5. Define "net acquisition cost".
6. Authorize the commissioner of insurance to recover costs of implementation and enforcement of any portion of the Louisiana Insurance Code pertaining to pharmacy benefit management.
7. Change duties owed to health insurance issuers and health plans by pharmacy benefit managers.
8. Allow a pharmacy benefit manager to obtain a rebate only if the rebate is returned to the health plan or plan sponsor.
9. Authorize the commissioner of insurance to impose fines with no aggregate maximum for violations of proposed law.
10. Prohibit pharmacy benefit managers from restricting pharmacy use of third party services.
11. Provide recommendations for the division of administration to use in the PBM reverse auction process.
12. Provide for retroactive application of the professional dispensing fee requirements.
13. Provide for effective dates.
14. Make technical changes.

Digest of the bill as proposed by the Conference Committee

Present law provides for definitions.

Proposed law retains present law and adds definitions for "enrollee", "healthcare service", "person", "pharmacy benefit management fee", "pharmacy benefit management service", "provider", and "related entity". Proposed law also amends the definition for "rebates".

Proposed law provides for a PBM's duties owed to health insurance issuers and health plans.

Proposed law provides for PBM compensation through pharmacy benefit manager flat dollar fees and flat dollar performance bonus and prohibits a PBM from retaining rebates and fees.

Proposed law allows the commissioner of insurance and any health insurance issuer or health plan contracted with a PBM to audit the PBM once per calendar year, including the books and records from any entity in the PBM's vertical corporate structure. Proposed law further provides for information that may be requested as part of the audit and provides for the protection of confidential and proprietary information through a public records exemption.

Proposed law requires PBM contracts to specify all forms of revenue to be paid by the health insurance issuer or health plan to the pharmacy benefit manager and to acknowledge that spread pricing is not permitted.

Proposed law provides that, in addition to any other penalty authorized by law, a violation of proposed law is punishable by the commissioner through a civil monetary penalty of \$25,000 for each and every act or violation, with no aggregate penalty maximum.

Proposed law further provides that if a violation is not corrected within 30 days after notice of the violation is received by the PBM, the commissioner must suspend or revoke the pharmacy benefit manager's license.

Proposed law authorizes the commissioner of insurance to recover costs of implementation and enforcement of any portion of the Louisiana Insurance Code pertaining to pharmacy benefit management.

Proposed law is to be implemented to regulate a pharmacy benefit manager or health insurance issuer only to the extent permissible under applicable federal law.

Present law allows a PBM to audit pharmacy claims. Proposed law limits the audit to claims filed within the 12 months prior to the start of the audit.

Proposed law allows a pharmacy to submit a consolidated appeal to a PBM of substantially similar claims.

Proposed law prohibits a PBM from using its formulary to obtain inducements, favor certain drugs over substantially similar drugs with a lower cost, charge more than the PBM's net acquisition cost of a drug, or ban the use of certain pharmacies by an insured.

Proposed law provides for a 60-day continuity of care for an enrollee when a formulary is changed and removes a drug prescribed to an enrollee.

Present law allows the division of administration to conduct a reverse auction to procure the services of a PBM to administer certain benefits provided by the Office of Group Benefits. Proposed law retains present law but makes recommendations for best practices.

Provides for various effective dates of proposed law.

(Amends R.S. 22:1856.1(B)(2)(a), 1863, 1865(A), 1865(G)(intro. para.), R.S. 39:1600.1(A),

(D)(intro. para.), and (D)(6), and R.S. 44:4.1(B)(11); adds R.S. 22:1867.1 and 1868.2; repeals R.S.22:1868.1 and Section 5 of Act 474 of the 2025 RS)