RÉSUMÉ DIGEST

ACT 915 (SB 401) **2026 Regular Session** **Talbot**

New law defines "board", "department", "enrollee", "manufacturer", "prescription drug", "rebate", "research and development expenditures", and "wholesale acquisition cost".

New law establishes the Prescription Drug Affordability Board within the Dept. of Insurance, consisting of the following members:

(1) The commissioner of insurance or his designee.

(2) The secretary of the La. Dept. of Health or his designee.

(3) The president of the La. Board of Pharmacy or his designee.

(4) Two public members appointed by the governor.

(5) Two public members appointed by the president of the Senate.

(6) Two public members appointed by the speaker of the House of Representatives.

(7) One member representing a patient advocacy group appointed by the commissioner of insurance.

New law requires the public members to have a significant health care or pharmacy background and provides that each shall serve for a term of five years. New law further provides that a vacancy in the membership of the board shall be filled for the unexpired term in the manner provided for the original appointment.

New law provides for the officers, meetings, and quorum of the board. New law further requires that members of the board shall serve without compensation.

New law prohibits a person from serving on the board if the person is an employee of, a board member of, or a consultant to a manufacturer, pharmacy benefit manager, health insurance carrier, health maintenance organization, managed care organization, or wholesale distributor or related trade association.

New law requires any conflict of interest, including a financial or personal association, that has the potential to bias or has the appearance of biasing a person's decision in matters related to the board or the conduct of the board's activities to be considered and disclosed when appointing members, or a member's designee, to the board.

New law requires the board to develop a list of critical prescription drugs made available in La. for which there is a substantial public interest in understanding the development of pricing for the drugs and to review and update the list at least once every three years. New law allows generic or biosimilar drugs to be placed on the list only if they have a wholesale acquisition cost of $100 or more for a unit cost increase of more than 200% during any 12-month period.

New law requires, by June 1of each year, the board to identify up to 10 prescription drugs, representing different drug classes and including generics, on which the state spends significant healthcare dollars, after accounting for rebates. New law further requires the manufacturer of each prescription drug that the board identifies to report the following information to the board:

(1) The drugs' wholesale acquisition cost increase.

(2) Research and development costs of the drug.

(3) Cost and expenditure information necessary to evaluate the pricing of the drug.

New law requires the information and data submitted by manufacturers to be consistent with the information and data submitted by the manufacturer on Securities and Exchange Commission Form 10-K.

New law requires reporting by drug manufacturers if a drug's price increases by a certain amount.

New law requires information reported to the board to be kept confidential and prohibits the disclosure of the information as a public record. New law further requires any public reporting of information to be aggregated to protect the financial, competitive, or proprietary nature of the information.

New law requires the board to 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 board, including a list of prescription drugs that have a cost in La. that is excessively high when compared with the cost of the drug in other states and countries or 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.

New law requires manufacturers to submit a report to the department annually, by January 15 of each year, providing certain wholesale acquisition cost information for prescription drugs sold in Louisiana.

New law requires the department to make the information received pursuant to new law publically available on the department's website with a dedicated link that is prominently displayed on the home page or by a separate easily identifiable webpage address.

A violation of new law constitutes a prohibited practice under the Unfair Trade Practices and Consumer Protection Law.

Effective January 1, 2027.

(Amends R.S. 44:4.1(B)(11); adds R.S. 22:1870.10-1870.18; repeals R.S. 22:1870(B)(5))