

2025 Regular Session

SENATE BILL NO. 173

BY SENATOR JACKSON-ANDREWS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

HEALTH/ACC INSURANCE. Provides for reimbursement rates paid by Pharmacy Benefit Managers. (8/1/25)

AN ACT

To amend and reenact R.S. 22:1860.3(E) and 1865(E), relative to reimbursements of pharmacies and pharmacists; to provide for reimbursement rates paid by pharmacy benefit managers to pharmacies and pharmacists; to provide for definitions; to provide for appeals by pharmacies and pharmacists of reimbursement rates; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1860(E) and 1865(E) are hereby amended and reenacted to read as follows:

§1860.3. Reimbursements

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E.**(1)** Notwithstanding any provision of the law to the contrary, effective January 1, 2025, no pharmacy benefit manager or person acting on behalf of a pharmacy benefit manager shall reimburse a pharmacy or pharmacist in this state an amount less than the acquisition cost for the covered drug, device, or service. The provisions of this Subsection shall apply to only a contracted pharmacist or pharmacy that does not own more than five shares or a five percent interest in a

pharmaceutical wholesale group purchasing organization or vendor of any covered drug, device, or service.

(2) For purposes of this Subsection, "acquisition cost" means the following:

(a) For a drug or device, the actual price reported by the pharmacy or pharmacist on an invoice from a customary supplier or wholesaler as the cost to acquire the drug or device.

(b) For a service, an amount not less than the professional dispensing fee established by the Louisiana Department of Health for the Louisiana Medicaid Program.

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§1865. Appeals

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E.(1) For every drug for which the pharmacy benefit manager establishes a maximum allowable cost to determine the drug product reimbursement, the pharmacy benefit manager shall provide information that is needed to resolve the complaint to the commissioner. If the commissioner is unable to obtain information from the pharmacy benefit manager that is necessary to resolve the complaint, the reimbursement amount requested in the pharmacist's appeal shall be granted.

(2) Pharmacy benefit managers shall report to the department which drugs, listed by national drug code, have an established maximum allowable cost.

(3) Pharmacy benefit managers shall permit appeals to be filed for a period of no less than fifteen days following the date the pharmacy or pharmacist was reimbursed by the pharmacy benefit manager.

(4) If an appeal of a reimbursement for a drug that does not have a maximum allowable cost is made pursuant to this Section and is granted, the pharmacy benefit manager shall take all of the following actions:

(a) Permit the appealing pharmacy and all other similarly situated

pharmacies that dispensed the drug to reverse and resubmit claims and receive payment based on the adjusted cost from the initial date of service the appealed drug was dispensed.

(b) Make the change effective for each similarly situated pharmacy and individually notify all pharmacies using the same customary supplier or wholesaler of both of the following:

(i) That a retroactive reimbursement adjustment has been made as a result of a granted appeal effective to the initial date of service the appealed drug was dispensed.

(ii) That the pharmacy may resubmit and receive payment based upon the adjusted reimbursement rate.

(c) Make retroactive price adjustments in the next payment cycle.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

DIGEST

SB 173 Original

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Jackson-Andrews

Present law requires a pharmacy benefit manager reimburse a pharmacy or pharmacist in an amount at least equal to the pharmacies' or pharmacists' acquisition cost for a covered drug, device, or service.

Proposed law retains present law and defines "acquisition cost".

Present law provides an administrative appeal procedure for pharmacies challenging the maximum allowable cost for a drug set by a pharmacy benefit manager as not in compliance with state law.

Proposed law retains present law.

Proposed law requires that when an appeal is granted, the pharmacy benefit manager is required to take the following actions:

- (1) Permit the appealing pharmacy and all similarly situated pharmacies that dispensed the drug to reverse and resubmit claims and receive payment based on the adjusted cost of the drug.
- (2) Make the change effective for all similarly situated pharmacies and individually notify each pharmacy that a retroactive reimbursement adjustment has been made due to the granting of the appeal, and that the pharmacy resubmit and receive payment based on the adjusted rate.
- (3) Make retroactive price adjustments in the next payment cycle.

Effective August 1, 2025.

(Amends R.S. 22:1860.3(E) and 1865(E))