

SENATE RESOLUTION NO. 209

BY SENATORS TALBOT, ABRAHAM, ALLAIN, BARROW, BASS, BOUDREAUX, BOUIE, CARTER, CATHEY, CLOUD, CONNICK, DUPLESSIS, EDMONDS, FOIL, HARRIS, HENRY, HENSGENS, HODGES, JACKSON-ANDREWS, JENKINS, KLEINPETER, LAMBERT, LUNEAU, MCMATH, MILLER, MIZELL, MYERS, PRESSLY, PRICE, REESE, SELDERS, STINE AND WOMACK

A RESOLUTION

To urge and request the Louisiana Department of Health to study the impacts of prohibiting pharmacy benefit manager ownership of pharmacies in Louisiana and to submit a report to the legislature.

WHEREAS, vertical integration occurs when a single company controls multiple layers of the healthcare process, such as health insurance, pharmacy benefit management services, and pharmacy operations; and

WHEREAS, an example of vertical integration is where a company might manage a health plan, decide which medications are covered, and own the pharmacy where patients are required to fill prescriptions; and

WHEREAS, vertical integration raises serious concerns about competition, fairness, and rising healthcare costs; and

WHEREAS, by controlling every step of the process, vertically integrated companies hold immense power over a patients' healthcare, from the cost of premiums to access to pharmacy services; and

WHEREAS, three major corporations dominate the vertically integrated pharmacy benefit manager market, collectively managing pharmacy benefits for over 75% of Americans; CVS Health controls Aetna (insurance), Caremark (PBM), and CVS pharmacies; OptumRx is a subsidiary of UnitedHealth Group, which is the largest health insurer in the United States; and Express Scripts is operated by Cigna and manages prescription benefits alongside its insurance and health care services; and

WHEREAS, this consolidation squeezes out competition, making it difficult for independent pharmacies to survive and for patients, it often translates to fewer choices and higher costs; and

WHEREAS, one approach to mitigating the impact of vertical integration on healthcare costs and the provision of pharmacy services is to prohibit pharmacy benefit manager ownership of pharmacies; and

WHEREAS, due to the extensive nature of vertical integration, a thorough analysis is needed to fully understand the impacts of such prohibition on patient access, employer sponsored health plans, and the provision of pharmacy services.

THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana does hereby urge and request the Louisiana Department of Health to study the impacts of prohibiting pharmacy benefit manager ownership of pharmacies in Louisiana and to submit a report of its findings to the legislature no later than March 1, 2026.

BE IT FURTHER RESOLVED that the report shall include the following:

- (1) An estimate of cost or savings to plan sponsors.
- (2) The impact on Medicare pharmacy network adequacy standards.
- (3) An estimate of potential gain or loss of employment.
- (4) The number, location, and scope of services of prohibited pharmacies.
- (5) Patient access to limited distribution and specialty medication.
- (6) Potential limitations on TRICARE prescription access.
- (7) Capacity of nonprohibited pharmacies to service displaced patients.
- (8) Potential costs of prescription noncompliance to Medicaid.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the secretary of the Louisiana Department of Health.

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PRESIDENT OF THE SENATE