

## CONFERENCE COMMITTEE REPORT

SB 401

2026 Regular Session

Talbot

May 29, 2026

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 401 by Senator Talbot, recommend the following concerning the Reengrossed bill:

1. That House Committee Amendments No. 1, 2, 3, 6, 7, 10, 12, 13, 14, and 15 proposed by the House Committee on Insurance and adopted by the House of Representatives on May 5, 2026, be adopted.
2. That House Committee Amendments No. 4, 5, 8, 9, and 11 proposed by the House Committee on Insurance and adopted by the House of Representatives on May 5, 2026, be rejected.
3. That House Committee Amendments No. 1, 2, 3, and 4 proposed by the House Committee on House and Governmental Affairs and adopted by the House of Representatives on May 18, 2026, be accepted.
4. That House Committee Amendment 5 proposed by the House Committee on House and Governmental Affairs and adopted by the House of Representatives on May 18, 2026, be rejected.
5. That the set of House Floor Amendments proposed by Representative Chance Henry and adopted by the House of Representatives on May 19, 2026, be adopted.
6. That the following amendments to the reengrossed bill be adopted:

AMENDMENT NO. 1

On page 2, between lines 23 and 24, insert the following:

**"(3) "Enrollee" means any individual entitled to coverage of healthcare services."**

AMENDMENT NO. 2

On page 3, delete lines 6 through 12 and insert the following:

**"(6) "Rebate" means either of the following:**

**(a) Drug manufacturer price concessions including but not limited to base price concessions, whether described as a rebate or otherwise, and any price protection rebates and performance-based price concessions that may accrue directly or indirectly to the pharmacy benefit manager, health insurance issuer or health plan, or other party on behalf of the health insurance issuer or health plan, including a pharmacy benefit manager, from a manufacturer, dispensing pharmacy, or other party in connection with the dispensing or administration of a prescription drug.**

**(b) Reasonable estimates of any other costs that are passed through or are reasonably anticipated to be passed through to the health insurance issuer or health plan and serve to reduce the health insurance issuer or health plan's liabilities for a prescription drug."**

AMENDMENT NO. 3

On page 6, delete lines 3 through 29 and insert the following:

**"A. By June first of each calendar year, the board shall identify up to ten prescription drugs on which the state spends significant healthcare dollars, after accounting for rebates. The drugs identified shall represent different drug classes and may include generics.**

**B. For each prescription drug identified pursuant to Subsection A of this Section, the board shall require the drug's manufacturer to report all of the following:**

**(1) The drug's wholesale acquisition cost increase.**

**(2) The manufacturer's aggregate company-level research and development and other relevant capital expenditures for the most recent year for which final audited data is available.**

**(3) A written description, suitable for public release, of factors that contributed to any reported increase in wholesale acquisition cost for the reporting year.**

**C. The quality and types of information and data that a drug manufacturer submits to the board under this Section shall be consistent with the quality and types of information and data that the manufacturer includes in the manufacturer's annual consolidated report on Securities and Exchange Commission Form 10-K or any other public disclosure.**

**D. By December thirty-first of each calendar year, the board shall publish a report on its website based on the information that it receives pursuant to Subsection B of this Section.**

**E. Information provided to the board pursuant to Subsection B of this Section is exempt from public inspection and copying pursuant to the Public Records Law, R. S. 44:1 et seq."**

AMENDMENT NO. 4

On page 7, delete lines 26 through 29, and insert the following:

**"A. All information and data obtained by the department pursuant to this Subpart that are not otherwise publicly available are considered to be a trade secret, confidential, and proprietary information. Such information and data are not subject to disclosure pursuant to the Public Records Law, R.S. 44:1 et seq.**

**B.(1) Information provided to the department, board, or an interested party pursuant to this Subpart shall, except to the extent it is already in the public domain, be considered trade secret pursuant to the Uniform Trade Secrets Act, R.S. 51:1431 et seq., exempt from disclosure pursuant to the Public Records Law, R. S. 44:1 et seq., and shall not be disclosed directly or indirectly.**

**(2) Except to provide the general public with wholesale acquisition costs under R.S. 22:1870.18(A)(2) of this Subpart, the department, board, or interested parties and their agents shall not publish or otherwise disclose any information that would allow for the identification of an individual drug, therapeutic class of drugs, or manufacturer; that would reveal the prices of any drug or therapeutic class of drugs; or that has the potential to compromise the financial, competitive, or proprietary nature of any information submitted by the manufacturer pursuant to this Subpart.**

**(3) The department, board, and interested third parties shall impose the confidentiality protections of this Subpart on any third party that may receive or otherwise have access to this information."**

AMENDMENT NO. 5

On page 12, delete line 29

AMENDMENT NO. 6

On page 13, delete line 1

AMENDMENT NO. 7

On page 13, delete lines 19 through 23, and insert the following:

"Section 4. The provisions of Sections 1, 2, and 3 of this Act shall take effect and become enforceable on January 1, 2027, only if Section 7 of the Act which originated as Senate Bill No. 387 of the 2026 Regular Session of the Legislature is enacted and becomes effective.

Respectfully submitted,

Senators:

Representatives:

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Senator Kirk Talbot

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Representative Michael "Gabe" Firment

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Senator Adam Bass

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Representative Dustin Miller

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Senator Brach Myers

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Representative Chance Henry

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The legislative 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)]

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**CONFERENCE COMMITTEE REPORT DIGEST**

**SB 401**

**2026 Regular Session**

**Talbot**

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

PHARMACEUTICALS. Provides for a Prescription Drug Affordability Board.

**Report adopts House amendments to:**

1. Define "enrollee".
2. Delete definition of "average wholesale price".
3. Remove provisions requiring manufacturers to provide certain information to medical providers on the wholesale acquisition costs of prescription drugs.
4. Make technical changes.

**Report rejects House amendments which would have:**

1. Defined "rebate".
2. Prohibited "orphan drugs" from inclusion on the list of critical prescription drugs developed by the board.
3. Changed manufacturer reporting requirements from reporting to the board to reporting to the Department of Insurance, limited the information required to be provided, and limited the dissemination of the data reported.
4. Prohibited the Department of Insurance from disclosing the information and data provided by manufacturers.
5. Allowed the manufacturer's obligations under proposed law to be satisfied by submission of Securities and Exchange Commission Form 10-K.
6. Allowed the Department of Insurance to assess only administrative penalties for violations of proposed law.

**Report amends the bill to:**

1. Define "rebate".
2. Require the board to identify annually, by June 1, up to 10 prescription drugs on which the state spends significant healthcare dollars and require the drug manufacturers to submit to the Department of Insurance data regarding certain factors that are used by the manufacturer to determine the wholesale price of each drug, as well as any other data requested by the board.
3. Require the information and data submitted to the department to be consistent with the quality and types of information and data included in the manufacturer's annual consolidated report on Securities and Exchange Commission Form 10-K.

4. Prohibit information provided by manufacturers pursuant to proposed law from being released in a manner that could compromise the financial, competitive, or proprietary nature of the information.
5. Requires manufacturers to submit certain data to the board when wholesale acquisition cost of a drug increases by more than the percentage change in the Consumer Price Index during any 12 month period.
6. Remove sunset provision.
7. Provide for an effective date.
8. Make technical changes.

**Digest of the bill as proposed by the Conference Committee**

Proposed law defines "allied manufacturer", "board", "department", "manufacturer", "prescription drug", "rebate", "reporting entity", "research and development expenditures", and "wholesale acquisition cost".

Proposed 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.

Proposed 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.

Proposed law prohibits conflicts of interest by board members. Further provides that actual or potential conflicts of interest be disclosed prior to appointment to the board.

Proposed law requires the board to develop a list annually of up to 10 prescription drugs made available in La., for which there is a substantial public interest in understanding the development of pricing for the drugs.

Proposed law requires the manufacturer of each prescription drug that the board places on the critical prescription drug list 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.

Proposed 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.

Proposed law requires reporting by generic and biosimilar manufacturers if a drug's price increases by a certain amount.

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

Proposed 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. Further requires the board to include in the report a list of those 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 and when compared with 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.

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

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

Effective when certain provisions of SB 387 of the 2026 RS become effective.

(Amends R.S. 44:4.1(B)(11); adds R.S. 22:1870.10-1870.19; repeals R.S. 22:1870(B)(5))