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)]

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 commisioner 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))