Proposed legislation would require Pharmacy Benefit Managers (PBMs) to obtain and maintain a permit from the Board of Pharmacy to perform pharmacy services in the State of Louisiana. Present law allows PBMs to do so by choice.

The Louisiana Board of Pharmacy estimates 45 PBM firms to be active within the state, 12 of which currently maintain permits. Proposed legislation requiring permitting is unlikely to lower the amount of firms active in Louisiana, and so it is anticipated that this measure would induce 33 more permit applications. The fee for a PBM permit is $500 per year. If all PBMs obtain a permit, this would provide an increase of $16,500 per year in additional self-generated revenue for the board.

REVENUE EXPLANATION
The Louisiana Board of Pharmacy estimates 45 PBM firms to be active within the state, 12 of which currently maintain permits. Proposed legislation requiring permitting is unlikely to lower the amount of firms active in Louisiana, and so it is anticipated that this measure would induce 33 more permit applications. The fee for a PBM permit is $500 per year. If all PBMs obtain a permit, this would provide an increase of $16,500 per year in additional self-generated revenue for the board.

EXPENDITURE EXPLANATION
There is no anticipated direct material effect on governmental expenditures as a result of this measure. While proposed legislation will likely increase the volume of PBM permit requests, the Louisiana Board of Pharmacy claims this increase in workload will be marginal and can be absorbed by existing capacity.