HOUSE COMMITTEE AMENDMENTS

2025 Regular Session

Amendments proposed by House Committee on Insurance to Original House Bill No. 264 by Representative Echols

AMENDMENT NO. 1

On page 1, line 2, delete "R.S. 22:1657.1(A)," and insert "R.S. 22:1657.1,"

AMENDMENT NO. 2

On page 1, line 4, after "sponsors;" insert "to provide for cost-sharing requirements; to provide for definitions; to provide for applicability; to provide for effectiveness;

AMENDMENT NO. 3

On page 1, line 7, delete "R.S. 22:1657.1(A)" and insert "R.S. 22:1657.1"

AMENDMENT NO. 4

On page 1, line 17, after "drug." delete the remainder of the line and delete lines 18 and 19 in their entirety and insert in lieu thereof the following:

"B. As used in this Section, the following definitions ~~shall~~ apply:

(1) "Aggregate retained rebate percentage" means the percentage calculated for each prescription drug for which a pharmacy benefit manager receives rebates under a particular health benefit plan expressed without disclosing any identifying information regarding the health benefit plan, prescription drug, or therapeutic class. The percentage shall be calculated by dividing the aggregate rebates that the pharmacy benefit manager received during the prior calendar year from a pharmaceutical manufacturer related to utilization of the manufacturer's prescription drug by health benefit plan enrollees that did not pass through to the health benefit plan or health insurance issuer by the aggregate rebates that the pharmacy benefit manager received during the prior calendar year from a pharmaceutical manufacturer related to utilization of the manufacturer's prescription drug by health benefit plan enrollees.

(2) "Cost-sharing requirements" mean coinsurance, deductibles, and other similar amounts imposed on an insured for a covered prescription drug under the insured's health benefit plan, but does not include copayments.

~~(2)~~(3) "Health benefit plan", "plan", "benefit", or "health insurance coverage" means services consisting of medical care provided directly through insurance, reimbursement, or other means, and including items and services paid for as medical care under any hospital or medical service policy or certificate, hospital or medical service plan contract, preferred provider organization contract, or health maintenance organization contract offered by a health insurance issuer. However, excepted benefits are not included as a "health benefit plan".

~~(3)~~(4) "Health insurance issuer" means any entity that offers health insurance coverage through a plan, policy, or certificate of insurance subject to state law that regulates the business of insurance. "Health insurance issuer" ~~shall~~ also ~~include~~ includes a health maintenance organization, as defined and licensed pursuant to Subpart I of Part I of Chapter 2 of this Code.

~~(4)~~(5) ~~"Rebates"~~ "Rebate" means ~~all rebates, discounts, and other price concessions, based on utilization of a prescription drug and paid by the manufacturer or other party other than an enrollee, directly or indirectly, to the pharmacy benefit manager after the claim has been adjudicated at the pharmacy. Rebates shall include a reasonable estimate of any volume-based discount or other discounts~~ a good faith estimate of the negotiated price concession for formulary placement of a prescription

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drug that accrues to a pharmacy benefit manager or its plan client, directly or indirectly, from a pharmaceutical manufacturer following dispensing or administration of a prescription drug.

C.(1) A pharmacy benefit manager shall make available to a plan client the option of using the rebate for a prescription drug to calculate reduced cost-sharing requirements for the insured at the point of sale.

(2) If elected by a plan, an insured's cost-sharing requirements for prescription drugs shall be calculated at the point of sale based on a price that is reduced by an amount equal to at least ninety percent of all rebates received or to be received.

(3) Nothing in this Section precludes a plan from implementing a program designed to lower or decrease an insured's cost-sharing requirement by an amount greater than that required in Subsection A of this Section.

D. Pharmaceutical manufacturers shall not exclude any claims subject to the point-of-sale cost-sharing reduction options established in this Section when calculating any rebate that a pharmaceutical manufacturer has contractually agreed to pay a pharmacy benefit manager, health benefit plan, or any other entity.

~~C.(1)~~ E.(1) ~~Beginning March 1, 2023, and annually thereafter, each~~ On March first of each year, a licensed pharmacy benefit manager shall submit a transparency report containing data from the prior calendar year to the department. The transparency report shall contain the following information for each of the pharmacy benefit manager's contractual or other relationships with a health benefit plan or health insurance issuer:

(a) The aggregate amount of all rebates that the pharmacy benefit manager received from pharmaceutical manufacturers.

(b) The aggregate administrative fees that the pharmacy benefit manager received.

(c) The aggregate rebates that the pharmacy benefit manager received from pharmaceutical manufacturers and did not pass through to the health benefit plan or health insurance issuer.

(d) The highest, lowest, and mean aggregate retained rebate percentage.

(2) The transparency report shall be made available in a form that does not disclose the identity of a specific health benefit plan, the prices charged for specific drugs or classes of drugs, or the amount of any rebates provided for specific drugs or classes of drugs.

(3) Within sixty days of receipt, the ~~Department of Insurance~~ department shall publish the transparency report on ~~the department's~~ its website in a location designated for pharmacy benefit manager information pursuant to R.S. 22:1657(C).

(4) The pharmacy benefit manager and the ~~Department of Insurance~~ department shall not publish or disclose any information that would reveal the identity of a specific health benefit plan, the prices charged for a specific drug or class of drugs, or the amount of any rebates provided for a specific drug or class of drugs. Any such information shall be protected from disclosure as confidential and proprietary information and shall not be regarded as a public record pursuant to the Public Records Law.

(5) Not more than thirty days after an increase in wholesale acquisition ~~cost~~ costs of fifty percent or greater for a drug with a wholesale acquisition cost of one hundred dollars or more for a thirty-day supply, a pharmaceutical drug manufacturer shall notify the commissioner ~~of insurance~~ by electronic mail of any such change.

Section 2. The provisions of this Act apply to any new policy, contract, or health coverage plan issued on and after January 1, 2026. Any policy, contract, or health coverage plan in effect prior to January 1, 2026, shall convert to conform to the provisions of this Act on or before the renewal date, but no later than January 1, 2027."

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