

~~(C.) Sections 3 and 4 of this Act shall become effective on January 1, 2027~~

Section 4. If any provision of this Act or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or applications, and to this end the provisions of this Act are hereby declared severable.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

HB 919 Engrossed

2026 Regular Session

Echols

Abstract: Requires pharmacy benefit managers (PBMs) to take certain actions.

Present law provides for a PBM rebate retention restrictions and fee disclosures.

Proposed law requires PBMs to reimburse independent pharmacies and pharmacists for under-reimbursed dispensing fees.

Proposed law mandates that PBMs bear all costs of reimbursements and prohibits passing those costs to plans, members, pharmacies, or pharmacists.

Proposed law prohibits reimbursement below the most recent National Average Drug Acquisition Cost (NADAC) plus the state dispensing fee, or wholesale acquisition cost plus the state dispensing fee when NADAC is unavailable.

Proposed law establishes a minimum professional dispensing fee that shall be reimbursed to independent pharmacies with physical locations in this state.

Proposed law imposes criminal penalties, including fines and imprisonment, on PBM personnel who knowingly under-reimburse, submit false reports, or deceive regulators.

Proposed law removes caps on damages and establishes unlimited liability for large PBMs with revenues exceeding five hundred million dollars.

Present law requires annual transparency reports from PBMs.

Proposed law requires PBMs to disclose foreign subsidiaries as part of the transparency report required by present law.

Present law requires PBMs to owe beneficiaries and contracted entities duties of good faith, honesty, trust, confidence, and candor.

Proposed law establishes a fiduciary duty requiring PBMs to act in good faith, with honesty, and in the best interests of beneficiaries and contracted entities.

Proposed law adds that pharmacy benefit managers owe a fiduciary duty to beneficiaries and shall discharge the fiduciary duty in accordance with present law.

Present law requires PBMs to perform their duties with a high degree of care, skill, prudence, and diligence consistent with experienced and reasonable industry standards.

Proposed law adds that PBMs are required to perform their duties as fiduciaries in a similar manner to other large enterprises.

Proposed law requires PBMs to disclose conflicts of interest to beneficiaries and contracted entities.

Proposed law requires PBMs to pass through any volume-based payments or benefits received from drug sales to covered entities.

Proposed law mandates full disclosure of all financial arrangements with drug manufacturers including fees, rebates, and pricing programs subject to confidentiality protections.

Present law provides that failure to meet these duties does not create a separate cause of action but does not limit other remedies available under state or federal law.

Proposed law modifies present law authorizing a cause of action for failing to satisfy the duties of present law and proposed law including fines up to \$10,000 for violations.

(Amends R.S. 40:2864; Adds R.S. 22:1868(D) and (E) and 1870(B)(1)(i))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Clarify that if a pharmacy benefit manager fails to fulfill its duties, an entity may have a cause of action against the pharmacy benefit manager.
2. Remove prohibition on pharmacy benefit manager-owned pharmacies.
3. Provide that a pharmacy benefit manager shall reimburse an independent pharmacy with a physical location no less than \$12 as a professional dispensing fee.
4. Make technical changes.