

2026 Regular Session

HOUSE BILL NO. 919

BY REPRESENTATIVES ECHOLS, AMEDEE, BEAULLIEU, BOUDREAUX, BOYER, BROUSSARD, BUTLER, CARLSON, CARRIER, COATES, CREWS, DEWITT, DICKERSON, EDMONSTON, EGAN, HEBERT, MIKE JOHNSON, JACOB LANDRY, OWEN, SAWYER, SCHAMERHORN, WILDER, AND WYBLE

INSURANCE/HEALTH: Provides relative to pharmacy benefit managers

1 AN ACT

2 To amend and reenact R.S. 40:2864 and to enact R.S. 22:1868(D) and 1870(B)(1)(i), relative
3 to pharmacy benefit managers; to provide for reimbursement of pharmacies and
4 pharmacists by pharmacy benefit managers; to provide for under-reimbursing by
5 pharmacy benefit managers; to provide for the duties of pharmacy benefit managers;
6 to require pharmacy benefit managers to disclose certain information; and to provide
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:1868(D) and 1870(B)(1)(i) are hereby enacted to read as follows:

10 §1868. Local pharmacy reimbursement; National Average Drug Acquisition Costs;
11 appeals

12 * * *

13 D. A pharmacy benefit manager, in this state, shall reimburse under-
14 reimbursed dispensing fees to licensed pharmacies and pharmacists that are not a
15 pharmacy benefit manager-owned company, subsidiary, affiliate, or other related
16 entity.

17 (1) A pharmacy benefit manager, in this state, shall bear all costs associated
18 with the reimbursement of under-reimbursed dispensing fees. These costs shall not
19 be assigned to plans, members, pharmacies, nor pharmacists.

1 and candor and shall discharge that duty in accordance with the provisions of state
2 and federal law.

3 B. The standard for the fulfillment of a pharmacy benefit manager's duties
4 shall be to act with a high degree of care, skill, prudence, and diligence required of
5 a reasonable and prudent person with substantial experience and expertise in the
6 management of pharmacy benefit management plans and payment of claims. A
7 pharmacy benefit manager shall perform its fiduciary duty with care, skill, prudence,
8 and diligence, and in accordance with the standards of conduct applicable to a
9 fiduciary in an enterprise of a like character and with like aims.

10 (1) A pharmacy benefit manager shall notify the beneficiaries or contracted
11 entities to which it acts as a fiduciary in writing of any activity, policy, or practice
12 of the pharmacy benefits manager that directly or indirectly presents any conflict of
13 interest with the duties imposed by this Section.

14 (2) A pharmacy benefit manager that derives any payment or benefit for the
15 dispensation of prescription drugs within this state based on volume of sales for
16 certain prescription drugs or classes or brands of drugs within this state shall pass
17 that payment or benefit on in full to the covered entity.

18 (3) A pharmacy benefits manager shall disclose to the covered entity all
19 financial terms and arrangements for remuneration of any kind that apply between
20 the pharmacy benefits manager and any prescription drug manufacturer or labeler,
21 including, without limitation, formulary management and drug-switch programs,
22 educational support, claims processing, and pharmacy network fees that are charged
23 from retail pharmacies and data sales fees.

24 (a) A pharmacy benefits manager providing information in accordance with
25 this Paragraph may designate that material as confidential. Information designated
26 as confidential by a pharmacy benefits manager and provided to a covered entity in
27 accordance with this Paragraph may not be disclosed by the covered entity to any
28 person without the consent of the pharmacy benefits manager, except that disclosure

1 may be ordered by a court of this state for good cause shown or made in a court
2 filing under seal unless or until otherwise ordered by a court.

3 (b) Nothing in this Paragraph limits the attorney general's use of civil
4 investigative demand authority in accordance with the Louisiana Unfair Trade
5 Practices Act to investigate violations of this Section.

6 C. Failure of a pharmacy benefit manager to satisfy the duties established in
7 this Section shall ~~not create a separate or independent cause of action nor shall it be~~
8 ~~construed to prohibit any cause of action established by or recognized in federal or~~
9 ~~state law~~ be a violation of the Unfair Trade Practices and Consumer Protection Law
10 provided for in R.S. 51:1401.

11 Section 3. The provisions of Section 1 of this Act shall be retroactive to January 1,
12 2026.

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 Reengrossed 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 further provides that the state dispensing fee is equal to the Louisiana Medicaid dispensing fee adjusted for inflation.

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.

(Amends R.S. 40:2864; Adds R.S. 22:1868(D) 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.

The House Floor Amendments to the engrossed bill:

1. Provide that state professional dispensing fees shall equal the fees established by Medicaid adjusted for inflation.
2. Remove criminal penalties and unlimited liability for PBM executives.
3. Modify the retroactivity provision to establish that the provisions of proposed law would apply back to January 1, 2026.
4. Remove effective date and severability clause.