



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 918** HLS 26RS 933
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 12, 2026 9:01 AM	Author: GALLE
Dept./Agy.: Louisiana Department of Health	Analyst: Cristian Nedelea
Subject: Critical prescription drugs	

PHARMACIES OR +\$153,127 GF EX See Note Page 1 of 2
 Provides relative to pharmaceutical costs

Proposed law requires the Louisiana Department of Health (LDH) to develop and maintain (review and update at least every three years) a list of critical prescription drugs for which there is a substantial public interest in understanding pricing. In developing the list, LDH shall consider specified factors, including the cost of the drug to public healthcare programs such as Medicaid, in-state pricing and usage, availability and the cost of alternatives, treatment outcomes, and other measurable factors. Proposed law requires manufacturers to report to LDH information for the drugs placed on the list, including production costs, research and development costs, marketing and advertising costs, and prices charged to other countries and to Louisiana purchasers. The information provided is confidential, exempt from public records disclosure, and may only be publicly reported in aggregate form. Proposed law requires LDH to prepare and submit an annual report to the legislature analyzing prescription drug prices and identifying drugs with excessively high costs when compared to other states and countries and overall development costs. Proposed law requires any person marketing a prescription drug directly to a healthcare provider to disclose specified price information in educational or marketing materials, including wholesale acquisition cost information, the date when marketing materials were prepared, pricing history, and manufacturer information.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$153,127	\$199,534	\$199,534	\$199,534	\$199,534	\$951,263
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$153,128	\$199,534	\$199,534	\$199,534	\$199,534	\$951,264
Local Funds		\$0	\$0	\$0	\$0	\$0
Annual Total	\$306,255	\$399,068	\$399,068	\$399,068	\$399,068	\$1,902,527
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law is anticipated to increase expenditures within the Louisiana Department of Health (LDH), Medical Vendor Administration (MVA), by \$306,255 (\$153,127 SGF and \$153,128 Federal funds) in FY 27 (assuming 9 months) and \$399,068 (\$199,534 SGF and \$199,534 Federal funds) in FY 28 (for 12 months) and yearly thereafter. This increase is associated with the addition of two (2) Pharmacist 3 T.O. positions along with associated operating expenses and one-time equipment costs. LDH reports that these positions are necessary to support the administrative and programmatic requirements of the legislation, including the review and analysis of manufacturer reported pricing data, coordination with the Department of Insurance, and the development and maintenance of the state's list of critical prescription drugs.

Personnel Costs (\$296,198 SGF):

LDH indicates that salaries and related benefits associated with the addition of two (2) Pharmacist 3 T.O. positions for nine months in FY 27 will total \$296,198, including \$197,465.50 in salaries and \$98,732.50 in related benefits. Related benefits are calculated at 50% of salary (\$197,466 x 50% = \$98,733). For informational purposes, the midpoint salary for a Pharmacist 3 position is \$131,643 annually.

Operating Expenses (\$4,495 SGF):

Operating expenses include supplies, telephone lines/data ports, and printing, etc.

Equipment Costs (\$5,592):

One-time equipment costs include the purchase of desks, chairs, personal computers, office supplies, etc.

Note: The LFO is unable to corroborate the estimated staffing level, operating expenses, and equipment costs projected by LDH. While the LFO acknowledges that proposed law will result in increased workload for LDH, to the extent the required staffing levels may be lower or higher, corresponding operating costs would shift accordingly. To the extent that a portion or all of the prescribed duties can be absorbed by existing staff and resources, a portion of the projected costs may be mitigated. Should additional information regarding estimated expenditures become available, this fiscal note will be updated.

EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

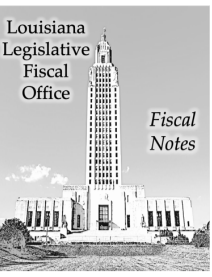
REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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CONTINUED EXPLANATION from page one:

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EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

EXPENDITURES

Position	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
LDH - Pharmacist 3	\$296,198	\$394,929	\$394,929	\$394,929	\$394,929
Operating Expenses	\$4,495	\$4,139	\$4,139	\$4,139	\$4,139
Equipment	\$5,562	\$0	\$0	\$0	\$0
Total Expenditures	\$306,255	\$399,068	\$399,068	\$399,068	\$399,068
T.O.	2	2	2	2	2

Senate Dual Referral Rules
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