

GREEN SHEET REDIGEST

HB 938

2026 Regular Session

Turner

INSURANCE/HEALTH: Provides relative to pharmacy benefit managers.

DIGEST

Present law allows the division of administration to conduct a reverse auction to procure the services of a pharmacy benefit manager (PBM) to administer certain benefits provided by the Office of Group Benefits (OGB). Proposed law retains present law.

Proposed law prohibits any consultant or advisor to the division or OGB during the period 2016-2026, whose services relate to the issuance of a request for proposals or procurement of PBM services, from providing consultation to the division or OGB regarding the selection of a PBM reverse auction technology platform or provider, or in the conduct of the reverse auction process.

Proposed law allows both full service PBMs and carveout service PBM providers to participate in the reverse auction bidding.

Proposed law allows the award of multiple or hybrid PBM contracts through the reverse auction.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 39:1600.1(D)(4) and (6))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Revise the effective date reference by changing "2026" to "2025" to ensure statutory accuracy.
2. Remove redundant language from proposed law to maintain consistency with existing statutory format.
3. Implement a conflict-of-interest provision that prohibits any consultants or advisors who were compensated for PBM procurement activities between 2016 and 2025, from engaging in the selection process or operation of the PBM reverse auction platform.
4. Clarify statutory references of prior legislative acts to repeal Section 5 of Act No. 474 of the 2025 Regular Session.
5. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Revise the reimbursement clause to ensure that pharmacy benefit managers provide appropriate reimbursement to all contracted pharmacists and local pharmacies.
2. Remove redundant language from proposed law to maintain consistency with existing statutory format.
3. Clarify the terminology by substituting the general term "network" pharmacies with specific references to contracted pharmacists and local pharmacies, to enhance the precision of the reimbursement rules that protect these entities.

4. Make technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the reengrossed bill

1. Remove proposed definition of "pharmacy benefit manager".
2. Remove proposed changes to present law regarding local pharmacy reimbursement, National Average Drug Acquisition Costs, and pharmacy appeals.
3. Remove proposed changes to present law regarding pharmacy benefit manager income sources, rebate retention restrictions, and fee disclosures.
4. Delete proposed law regarding required disclosures by a pharmacy benefit manager to its clients.
5. Delete proposed law requiring implementation of reverse auctions by the division of administration.
6. Delete proposed repeal of Section 5 of Act No. 474 of the 2025 Regular Session.
7. Remove provision implementing proposed law on October 1, 2026.
8. Make technical changes.