

2023 Regular Session

HOUSE RESOLUTION NO. 167

BY REPRESENTATIVE EDMONDS

LEGISLATIVE AUDITOR: Requests the legislative auditor to evaluate the oversight and management of the Office of Group Benefits' contracts with pharmacy benefit managers to provide pharmacy benefits for state employees and retirees

1 A RESOLUTION

2 To request the legislative auditor to conduct a review and evaluation of the pharmacy benefit
3 manager contracts for provision of pharmacy benefits provided through the Office
4 of Group Benefits, to compare the overall annual cost to provide pharmacy benefits,
5 the price of common medications, and administrative fees and to evaluate the Office
6 of Group Benefits' management of the contract including its oversight of practices
7 that are prohibited by the pharmacy benefit manager contract such as spread pricing.

8 WHEREAS, in 2023, a new two billion dollar pharmacy contract began between the
9 Office of Group Benefits and CVS Caremark affecting more than two hundred thousand
10 state employees and retirees; and

11 WHEREAS, there have been multiple complaints and concerns expressed by state
12 employees and retirees regarding how the pharmacy benefit management contract has
13 affected their ability to get medications and by pharmacies that are reimbursed for
14 medications at rates that are less than the cost of the medications being dispensed to patients;
15 and

16 WHEREAS, due to the effect on the state's budget, the effect on state employees and
17 retirees, and Louisiana pharmacies, it is important for the House of Representatives to have
18 an independent review and evaluation of the pharmacy benefit manager contracts for
19 provision of pharmacy benefits provided through the Office of Group Benefits in order to

1 develop the policies needed to improve the situation and to evaluate the related budget
2 requests for inclusion in the General Appropriation Bill.

3 THEREFORE, BE IT RESOLVED that the House of Representatives of the
4 Legislature of Louisiana does hereby request the legislative auditor to conduct a review and
5 evaluation of the pharmacy benefit manager contracts for provision of pharmacy benefits
6 provided through the Office of Group Benefits, to compare the overall annual cost to provide
7 pharmacy benefits, the price of common medications, and administrative fees, to evaluate
8 the Office of Group Benefits' management of the contract, including its oversight of
9 practices that are prohibited by the contract such as spread pricing, and to submit a report
10 of the review and evaluation to the House of Representatives, along with any additional
11 information the legislative auditor deems relevant and any recommendations for
12 improvement, no later than February 15, 2024.

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)]

HR 167 Original

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Edmonds

Requests the legislative auditor to conduct a review and evaluation of the pharmacy benefit manager contracts for provision of pharmacy benefits provided through the Office of Group Benefits, to compare the overall annual cost to provide pharmacy benefits, the price of common medications, and administrative fees, to evaluate the Office of Group Benefits' management of the contract, including its oversight of practices that are prohibited by the contract such as spread pricing, and to submit a report of the review and evaluation to the House, along with any additional information the legislative auditor deems relevant and any recommendations for improvement, no later than Feb. 15, 2024.