

2026 Regular Session

HOUSE BILL NO. 1236 (Substitute for House Bill No. 866 by Representative Dewitt)

BY REPRESENTATIVE DEWITT

INSURANCE: Provides relative to pharmacy benefit managers reimbursements

1 AN ACT

2 To amend and reenact R.S. 22:1868(B)(introductory paragraph), (1), and (2) and (C) and to
3 enact R.S. 22:1868(B)(5), (D), and (E), relative to pharmacy benefit managers; to
4 provide for definitions; to provide for pharmacy reimbursements; to prohibit certain
5 reimbursement cost assignments; to provide for certain prohibitions; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1868 (B)(introductory paragraph), (1), and (2) and (C) are hereby
9 amended and reenacted and R.S. 22:1868(B)(5), (D), and (E) are hereby enacted to read as
10 follows:

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

13 * * *

14 B. For purposes of this Section, the following definitions shall apply:

15 (1)(a) "Acquisition cost" ~~means the set of National Average Drug Acquisition~~
16 ~~Costs, "NADAC", as calculated by the Centers for Medicare and Medicaid Services~~
17 ~~and reflected in the most recently released public file.~~ means the amount a local
18 pharmacy actually pays to purchase a prescription drug or device, as evidenced by
19 a wholesaler or manufacturer invoice, and shall not be less than the National Average

1 C. Notwithstanding any provision of law to the contrary, effective January
2 1, 2026, a pharmacy benefit manager shall meet all of the following requirements for
3 claims submitted by any local pharmacy to a pharmacy benefit manager
4 administering claims on behalf of a health plan, except for the Office of Group
5 Benefits:

6 (1) Adopt a reimbursement formula using either NADAC as the prescription
7 drug pricing benchmark or, if NADAC is not available, the wholesale acquisition
8 cost. ~~or, with prior written approval by the commissioner, an alternative prescription~~
9 ~~drug pricing benchmark that results in claim payment errors that are both comparable~~
10 ~~to or less than NADAC in terms of frequency and smaller than NADAC in terms of~~
11 ~~magnitude.~~

12 (2) Adopt a reimbursement formula using an adjustment factor that, based
13 on a percentage-based change to the prescription drug pricing benchmark, such as
14 national average drug acquisition cost or wholesale acquisition cost, is applied
15 uniformly across a class of drugs. ~~claims experience data available to the pharmacy~~
16 ~~benefit manager, is reasonably expected to result in a claim payment error rate of no~~
17 ~~more than two percent per drug as identified by its national drug code.~~

18 (3)(a) Adopt a reimbursement formula using a professional dispensing fee
19 that is an amount not less than the professional dispensing fee established by the
20 Louisiana Department of Health for the Louisiana Medicaid program.

21 (b) The professional dispensing fee shall reflect the actual costs of the
22 professional services provided by the pharmacists, and expenses related to the
23 physical act of dispensing.

24 (c) The department shall consider only cost-based data and is prohibited
25 from relying on historical data related to the professional dispensing fee paid by
26 pharmacy benefit managers.

27 ~~(3)~~ (4) Adopt an appeal process for pharmacists to challenge claim payment
28 errors that, at a minimum, meets all of the following requirements:

1 (a) A network pharmacy contract executed by and between a pharmacy
2 benefit manager and a pharmacy located in Louisiana shall, at a minimum, contain
3 a provision expressly acknowledging that if a Louisiana pharmacy's reimbursement
4 for any covered drug or device is less than the pharmacy's acquisition cost for that
5 drug or device, the pharmacy has the right to appeal that reimbursement and, if
6 successful, receive additional payment so that the total reimbursement is equal to the
7 pharmacy's demonstrated acquisition cost. The pharmacy benefit manager shall
8 direct the pharmacy to the pharmacy benefit manager's electronic and written appeal
9 locations.

10 (b) Permit appeals to be filed for a period of fifteen days following the
11 applicable date of payment.

12 (c) If an appeal is filed with the pharmacy benefit manager, the pharmacy
13 must include a written invoice from the wholesaler that includes the drug name,
14 national drug code number, purchase date, and cost of the drug.

15 (d) If a claim payment error occurred, the pharmacy benefit manager shall
16 make an additional payment to the pharmacy to increase the reimbursement amount
17 to the acquisition cost. The pharmacy benefit manager is prohibited from amending
18 or changing the amount a prescription drug consumer must pay for an out-of-pocket
19 cost share or expense.

20 (e) The pharmacy benefit manager shall individually notify all pharmacies
21 using the same customary supplier or wholesaler that a claim payment error occurred
22 and that the pharmacy may reverse and resubmit the claim to correct the claim
23 payment error. The pharmacy benefit manager shall make retroactive price
24 adjustments in the next payment cycle.

25 (f) If a pharmacy benefit manager determines that a claim payment error did
26 not occur, it shall provide the pharmacy or pharmacist with an explanation of why
27 it has upheld the payment, including a specific documentation of the acquisition cost
28 on the date of service. The explanation shall be provided electronically or in writing
29 through customary means of communication between the pharmacy benefit manager

1 and the pharmacy or pharmacist. The explanation shall also include a notice in at
2 least ten-point font stating that, if the pharmacy or pharmacist disagrees with the
3 decision, the pharmacy or pharmacist may file a complaint with the Department of
4 Insurance.

5 D. A pharmacy benefit manager, in this state, bears all costs associated with
6 the reimbursement of professional dispensing fees. These costs shall not be assigned
7 to plans, members, pharmacies, or pharmacists.

8 E. The commissioner may require submission of claims-level data, including
9 but not limited to reimbursement amounts, dispensing fees, and any adjustments, for
10 the purpose of verifying compliance with this Section.

11 Section 2. This Act shall become effective upon signature by the governor or, if not
12 signed by the governor, upon expiration of the time for bills to become law without signature
13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
15 effective on the day following such approval.

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 1236 Engrossed

2026 Regular Session

Dewitt

Abstract: Provides for pharmacy reimbursement guidelines. Prohibits certain reimbursement cost assignments. Prohibits cost changes to certain prescription drugs.

Present law prohibits pharmacy benefit managers or persons acting on behalf of a pharmacy benefit managers from reimbursing a contracted or local pharmacy or pharmacist in this state an amount less than the acquisition cost for the covered drug, device, or service. Proposed law retains present law.

Proposed law retains present law definitions applicable to pharmacy benefit manager reimbursements. Proposed law amends the definition of "acquisition cost" and adds the term "professional dispensing fee".

Proposed law provides additional reimbursement guidelines for pharmacy benefit managers claims submitted by any local pharmacy to a pharmacy benefit manager administering claims on behalf of a health plan, except for the Office of Group Benefits.

Proposed law retains present law relative to appeals process for pharmacists to challenge claim payment errors.

Proposed law prohibits pharmacy benefit managers from amending or changing the amount a prescription drug consumer must pay for an out-of-pocket cost share or expense.

Proposed law requires pharmacy benefit managers to bear all costs associated with the reimbursement of professional dispensing fees. Proposed law prohibits such costs from being assigned to plans, members, pharmacies, and pharmacists.

Proposed law authorizes the commissioner to require submission of claims-level data, including but not limited to reimbursement amounts, dispensing fees, and any adjustments, for the purpose of verifying compliance with proposed law.

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

(Amends R.S. 22:1868(B)(intro. para.), (1), and (2) and (C); Adds R.S. 22:1868(B)(5), (D), and (E))