

# WEST VIRGINIA LEGISLATURE

## 2026 REGULAR SESSION

Introduced

### House Bill 5553

FISCAL  
NOTE

By Delegates Holstein, J. Cannon, Linville, Rohrbach,  
and Funkhouser

[Introduced February 16, 2026; referred to the  
Committee on Health and Human Resources]

1 A BILL to amend and reenact §5-16-19 of the Code of West Virginia, 1931, as amended, and to  
 2 amend said code by adding a new section, designated §9-5-34, relating to permitting the  
 3 Public Employees Insurance Agency and the Department of Human Services to participate  
 4 in federal prescription drug pricing programs.

*Be it enacted by the Legislature of West Virginia:*

**CHAPTER 5. GENERAL POWERS AND AUTHORITY OF THE  
 GOVERNOR, SECRETARY OF STATE AND ATTORNEY GENERAL;  
 BOARD OF PUBLIC WORKS; MISCELLANEOUS AGENCIES,  
 COMMISSIONS, OFFICES, PROGRAMS, ETC.**

**ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.**

**§5-16-19. Authorization to take advantage of acts of congress, accept gifts, grants and matching funds.**

1 (a) The Public Employees Insurance Agency is authorized to take full advantage of the  
 2 benefits and provisions of any acts of congress and to accept any and all gifts, grants and  
 3 matching funds, whether in the form of money or services.

4 (b) The Public Employees Insurance Agency may participate in, opt into, or otherwise  
 5 utilize prescription pricing, purchasing, or reimbursement arrangements made through a federally  
 6 established prescription drug pricing program, including programs based upon most-favored-  
 7 nation or international reference pricing models, to the extent permitted by federal law.

8 (c) Participation under this section may include, but is not limited to:

9 (1) Direct purchasing agreements with pharmaceutical manufacturers;

10 (2) Participation in federally negotiated pricing arrangements; or

11 (3) Utilization of federal benchmarks or ceiling prices when reimbursing for covered  
 12 prescription drugs.

13           (c) Any participation under this section shall be voluntary and shall be implemented only if  
 14 the responsible agency determines that participation is in the best financial interest of the state  
 15 and does not reduce beneficiary access to medically necessary prescription drugs.

16           (d) Nothing in this section shall be construed to:

17           (1) Require the state to adopt a federal formulary;

18           (2) Limit the authority of the state to administer its own pharmacy benefits; or

19           (3) Conflict with federal requirements.

20           (e) The Public Employees Insurance Agency shall report to the Joint Committee on  
 21 Government and Finance no later than December 1 of each year on:

22           (1) Any participation in federal prescription drug pricing programs;

23           (2) Estimated cost savings achieved; and

24           (3) Any access or administrative issues identified.

**CHAPTER 9. HUMAN SERVICES.**

**ARTICLE                   5.                   MISCELLANEOUS                   PROVISIONS.**

**§9-5-34. Participation in federal prescription drug pricing programs.**

1           (a) The Department of Human Services and any other state agency administering a health  
 2 benefit program that purchases prescription drugs on behalf of beneficiaries may participate in, opt  
 3 into, or otherwise utilize prescription drug pricing, purchasing, or reimbursement arrangements  
 4 made available through a federally established prescription drug pricing program, including  
 5 programs based on most-favored-nation or international reference pricing models, to the extent  
 6 permitted by federal law.

7           (b) Participation under this section may include, but is not limited to:

8           (1) Direct purchasing agreements with pharmaceutical manufacturers;

9           (2) Participation in federally negotiated pricing arrangements; or

10           (3) Utilization of federal benchmarks or ceiling prices when reimbursing for covered

11 prescription drugs.

12 (c) Any participation under this section shall be voluntary and shall be implemented only if  
13 the responsible agency determines that participation is in the best financial interest of the state  
14 and does not reduce beneficiary access to medically necessary prescription drugs.

15 (d) Nothing in this section shall be construed to:

16 (1) Require the state to adopt a federal formulary;

17 (2) Limit the authority of the state to administer its own pharmacy benefits; or

18 (3) Conflict with federal Medicaid requirements or waivers.

19 (e) The Department of Human Services shall report to the Joint Committee on Government  
20 and Finance no later than December 1 of each year on:

21 (1) Any participation in federal prescription drug pricing programs;

22 (2) Estimated cost savings achieved; and

23 (3) Any access or administrative issues identified.

NOTE: The purpose of this bill is to permit PEIA and the Department of Human Services to participate in federal prescription drug pricing programs.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.