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<u>LIPA, INDIVIDUAL PLAINTIFFS FILE INJUNCTION SEEKING TO PREVENT OGB,</u> COMMISSIONER FROM ILLEGALLY EXECUTING PHARMACY BENEFITS CONTRACT

Commissioner Jay Dardenne Directly Stated Intent to Execute Contract in Spite of November 18th Unanimous Vote to Reject by Joint Legislative Committee on the Budget

BATON ROUGE, LA (December 2, 2022) – The Louisiana Independent Pharmacies Association (LIPA) and individual plaintiffs covered under the state's Office of Group Benefits (OGB) today filed a petition for injunctive relief in the 19th Judicial District Court, East Baton Rouge Parish, Louisiana, seeking to prevent OGB and Commissioner Jay Dardenne from executing a contract expressly rejected by the Joint Legislative Committee on the Budget (JLCB) on November 18, 2022.

OGB is an executive branch agency that provides group health insurance coverage and benefits, including prescription drug coverage and benefits, to eligible state and public-school employees, retirees, and their dependents.

CaremarkPCS Health, L.L.C., a subsidiary of Caremark RX, L.L.C., is arguably the largest pharmacy benefits manager in the United States. The petition alleges that by executing the \$2 billion contract without approval by JLCB, Commissioner Dardenne would be in direct violation of Louisiana Revised Statute 42:802(D)(1), which states any benefits programs or services contracts offered by OGB "shall be subject to review and final approval by the Joint Legislative Committee on the Budget."

During the hearing, Commissioner Dardenne said: "The contract is going to move forward today, even if the body votes not to approve it ... As I said [at] the last month's meeting, and I will say it again to the body, we are going forward with this contract. Even if it is not approved by this body today."

Individual petitioners receive health benefits from OGB or practice pharmacy in Louisiana. The plaintiffs cite concern for the proper and lawful operation of the OGB prescription drug program and the state's government operations. Because state tax dollars would partially fund the Caremark contract, the petitioners, as taxpayers, are lawfully within their rights to protest the signing of a contract that would undoubtedly violate state law.