

New Bill Targets Pharmacy Benefit Managers

Healthcare Law Update

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On May 18, 2026, the New Jersey General Assembly passed [Bill A1502](#), the Patient and Provider Protection Act, which would impose new obligations on pharmacy benefit managers (PBMs)—the intermediaries that administer prescription drug benefits for carriers and public programs. The Bill would establish a fiduciary duty requiring PBMs to act in the best interests of the carriers and State programs they contract with, prohibit self-dealing such as steering covered persons toward PBM-affiliated mail-order or specialty pharmacies, bar differential reimbursement that favors affiliated pharmacies, and tie pharmacy reimbursement to the National Average Drug Acquisition Cost (NADAC) benchmark. The Bill is intended to increase transparency in PBM practices and lower prescription drug costs for New Jersey patients.

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