

# The New PBM Reform Law: One Pager on Additional Provisions

On February 3, 2026, President Trump signed PBM reform into law. We reported on the provisions that most impact pharmacies [here](#). Additional provisions from the law are below.

## Medicare provisions

**De-linking of PBM compensation.** Section 6224 contains provisions that “delink” PBM compensation from the price of a drug. For plan years beginning on or after January 1, 2028, PBMs cannot be compensated based on the price of a drug as a condition of entering into a contract with a prescription drug plan (PDP).

**Bona fide service fee.** As reported by NCPA previously, PDPs are allowed to pay PBMs a “bona fide service fee” that reflects fair market value for an itemized service performed on behalf of the PDP. Such fee must be a flat dollar amount and shall not be directly or indirectly based on, or contingent upon drug prices, discounts, rebates, fees for covered drugs, or coverage or formulary placement decisions.

**PBM disclosures of agreements with manufacturers.** The law also requires PBMs that enter into agreements with a drug manufacturer to provide rebates, discounts, or other financial incentives contingent upon coverage, formulary placement, or utilization management to submit a written explanation of the agreement to the PDP sponsor within 30 days of the agreement. The explanation must identify the manufacturer and covered drugs subject to the agreement and describe the agreement’s terms.

**PBM audits.** Section 6224 allows PDP sponsors to audit PBMs annually to ensure compliance and accuracy of submitted information and allows the sponsors to select the auditor.

**GAO reporting.** Section 6224 requires reports from the US Government Accountability Office on how PBM compensation impacts prescription drug prices and from the Medicare Payment Advisory Commission on plan agreements between PBMs and PDPs within two years of enactment.

## Commercial insurance provisions

**PBM reporting.** Section 6701 requires commercial PBMs to report to the group plan sponsor the same information required of those in the Part D space. PBMs also must provide group health plan sponsors with a summary document for purposes of selecting pharmacy benefit management services and must prepare a summary document for plan beneficiaries that outlines their coverage and benefits.

**100 percent commercial pass-through.** Section 6702 requires commercial PBMs to remit 100% of all rebates, discounts, fees, and other remuneration received from any applicable entity related to utilization of drugs or drug spending to the group plan sponsor on a quarterly basis. Under this section, any responsible plan fiduciary that did not know the covered service provider acting as a PBM failed to make required remittances will be held harmless, and directs that the service provider take steps to remit the required amounts.