

**MEDICAID 340B DRUG PRICING PROGRAMS**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David Litvack**

Senate Sponsor: Allen M. Christensen

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**LONG TITLE**

**General Description:**

This bill amends the Medical Assistance Programs chapter in the Health Code.

**Highlighted Provisions:**

This bill:

- requires the department to explore the feasibility of expanding the use of 340B drug pricing programs in the state Medicaid program;

- requires the department to report to the Legislature's Health and Human Services Interim Committee and Health and Human Services Appropriations Subcommittee regarding implementation of the expansion of the 340B drug pricing program; and

- sunsets the section on July 1, 2013.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63-55-226**, as last amended by Laws of Utah 2007, Chapter 24

ENACTS:

**26-18-12**, Utah Code Annotated 1953

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **26-18-12** is enacted to read:

30           **26-18-12. Expansion of 340B drug pricing programs.**

31           (1) The department shall, in accordance with this section, expand the state Medicaid  
32 program's use of savings under the 340B drug pricing program.

33           (2) The department shall:

34           (a) determine:

35           (i) the feasibility of developing and implementing one or more 340B drug pricing  
36 programs for a specific disease, similar to the department's hemophilia disease management  
37 services; and

38           (ii) whether the 340B drug program for a specific disease results in greater savings for  
39 the department than other drug management programs for the particular disease;

40           (b) report by May 21, 2008 to the Legislature's Health and Human Services Interim  
41 Committee and Health and Human Services Appropriations Subcommittee regarding:

42           (i) potential cost savings to the state Medicaid program from expansion of the use of  
43 340B drug pricing programs;

44           (ii) state Medicaid plan amendments or waivers necessary to implement increased use of  
45 340B drug pricing programs by the state Medicaid program; and

46           (iii) projected implementation of the 340B drug pricing programs identified under the  
47 provisions of Subsection (2)(a);

48           (c) work with the Association for Utah Community Health to identify and assist  
49 community clinics that do not have 340B drug pricing programs to determine whether, under  
50 applicable federal law:

51           (i) the patients of the community health center would benefit from establishing a 340B  
52 drug pricing program either on site, or through a contract with a pharmacy provider; and

53           (ii) the community health center can provide the 340B drug price savings to the  
54 community health center's Medicaid patients; and

55           (d) beginning May 21, 2008, report on a quarterly basis to the Legislature's Health and  
56 Human Services Interim Committee and Health and Human Services Appropriations  
57 Subcommittee on the department's progress towards implementing an expansion of the use of

58 the 340B drug pricing program by community health centers.

59 (3) If the department needs a Medicaid waiver to implement a 340B drug program for a  
60 specific disease, the department shall comply with the reporting requirements of Subsection  
61 (2)(b)(ii) of this section, and the reporting requirements of Section 26-18-3.

62 (4) This section shall sunset in accordance with Section 63-55-226.

63 Section 2. Section **63-55-226** is amended to read:

64 **63-55-226. Repeal dates, Title 26.**

65 (1) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July  
66 1, 2015.

67 (2) Section 26-18-12, Expansion of 340B drug pricing programs, is repealed July 1,  
68 2013.

69 [~~2~~] (3) Title 26, Chapter 23b, Detection of Public Health Emergencies Act, is repealed  
70 July 1, 2009.

71 [~~3~~] (4) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1,  
72 2014.

73 [~~4~~] (5) Section 26-21-23, Licensing of non-Medicaid nursing care facility beds, is  
74 repealed July 1, 2009.