SB0069S03 compared with SB0069

~~{Omitted text}~~ shows text that was in SB0069 but was omitted in SB0069S03
inserted text shows text that was not in SB0069 but was inserted into SB0069S03

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Medication Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

House Sponsor:

LONG TITLE

General Description:

This bill addresses {~~the acquisition of certain drugs by pharmaceutical entities~~} participation in a federal drug discount program.

Highlighted Provisions:

This bill:

- defines terms{~~, including "340B drug" and "pharmaceutical entity"; and~~} ;
- {~~bans~~ } prohibits a pharmaceutical manufacturer from restricting, prohibiting, or otherwise interfering with a {~~pharmaceutical~~ } 340B entity's {~~acquisition of a 340B drug.~~} ability to:
  - **acquire a 340B drug; or**
  - **participate in the 340B drug discount program;**
- **permits the Public Employees' Benefit and Insurance Program (program) to adjust the program's business practices to mitigate any resulting financial impacts;**
- **permits a manufacturer to request certain claim information from 340B entities; and**
- **requires 340B entities to submit information to the Insurance Department.**

Money Appropriated in this Bill:

None

Other Special Clauses:

None

ENACTS:

31A-46-311 , Utah Code Annotated 1953 , Utah Code Annotated 1953

31A-46-312 , Utah Code Annotated 1953 , Utah Code Annotated 1953

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

Section 1. Section **1** is enacted to read:

31A-46-311. {~~Prohibited actions with respect to a pharmaceutical entity~~} Protection of pharmacy discount drug market.

(1) As used in this section,"manufacturer" means a pharmaceutical manufacturer, including an agent or affiliate of a pharmaceutical manufacturer.

{~~(a) {"340B entity" means an entity authorized to participate in the federal 340B drug discount program, as described in 42 U.S.C. Sec. 256b(a)(4).}~~ }

{~~(b) {"Manufacturer" means the same as that term is defined in Section 1927(k) of the Social Security Act.}~~ }

{~~(c) {"Pharmaceutical entity" means a:}~~ }

{~~(i)~~} (2) {~~pharmaceutical~~ } A manufacturer{~~;~~} may not:

{~~(ii) {a person involved in the distribution of a pharmaceutical manufacturer's products, including a distributor or a third-party logistics provider; or}~~ }

{~~(iii) {an agent or affiliate of a person described in Subsection (1)(a) or (1)(b).}~~ }

{~~(2)~~} (a) {~~A pharmaceutical entity may not~~ } directly or indirectly , restrict or prohibit:

{~~(a)~~} (i) a pharmacy from contracting with a 340B entity, including by denying the pharmacy access to a drug that is manufactured by the {~~pharmaceutical entity~~} manufacturer;

{~~(b)~~} (ii) a 340B entity from contracting with a pharmacy, including by denying the 340B entity access to a drug that is manufactured by the {~~pharmaceutical entity~~} manufacturer;

{~~(c)~~} (iii) the acquisition, dispensing, or delivery of a 340B drug to any location authorized by a 340B entity to receive the drug, unless prohibited by federal law; or

{~~(d)~~} (iv) a 340B entity from receiving {~~a~~ } 340B drug discount program pricing for a 340B drug, including by imposing a time limitation on a 340B entity to replenish or submit a claim for a 340B drug{~~.~~} ;

{~~(3)~~} (b) {~~A pharmaceutical entity may not~~ } directly or indirectly:

{~~(a)~~} (i) require a 340B entity to purchase a 340B drug from a {~~certain~~ } supplier if the {~~pharmaceutical entity~~ } manufacturer would otherwise permit the 340B entity to purchase a drug that is not a 340B drug from the supplier;or

{~~(b)~~} (ii) require a 340B entity to submit any claim data, utilization data, or information about a 340B entity's contracts with a {~~third-party~~ } third party as a condition for allowing the acquisition of a 340B drug by, or delivery of a 340B drug to, a 340B entity, unless the data or information sharing is required by federal law; or

(c) {~~otherwise~~ } interfere with:

(i) a contract between a pharmacy and a 340B entity; or

(ii) the ability of a pharmacy and a 340B entity to enter into a contract.

(3) The Public Employees' Benefit and Insurance Program created in Section 49-20-103 may adjust the program's business practices to mitigate any financial impacts resulting from this section.

(4) Nothing in this section is to be construed to conflict with federal law.

Section 2. Section **2** is enacted to read:

31A-46-312. Claim information sharing and use -- 340B entity public reporting.

(1) As used in this section:

(a) "Bad debt" means the cost incurred by a participating 340B entity for providing health care services to a patient for which the participating 340B entity does not receive payment.

(b) "Claim information" means information that is:

(i) described in Subsection (2); and

(ii) related to a claim for a 340B drug that is:

(A) dispensed by a contract pharmacy; and

(B) manufactured by a single pharmaceutical manufacturer.

(c) "Contract pharmacy" means a pharmacy contracting with an entity participating in the 340B drug discount program to dispense drugs purchased through the 340B drug discount program.

(d) Financial assistance" means the cost incurred by a participating 340B entity for providing health care services to a patient at a reduced cost or no cost.

(e) "Participating 340B entity" means a 340B entity that is a hospital described in 42 U.S.C. Sec. 256b(a)(4)(L).

(f) Uncompensated care means the sum of a participating 340B entity's bad debt and financial assistance.

(2) pharmaceutical manufacturer may request from a participating 340B entity the following claim information:

(a) prescription number;

(b) prescribed date;

(c) fill date;

(d) national drug code;

(e) quantity;

(f) pharmacy identification; and

(g) 340B covered entity identification.

(3) A participating 340B entity that receives a request from a pharmaceutical manufacturer as described in Subsection (2) shall provide to the pharmaceutical manufacturer the requested claim information.

(4)

(a) A pharmaceutical manufacturer may only use claim information received under this section to identify a rebate for an insurer or a third party administrator that is ineligible for payment under the pharmaceutical manufacturers policy.

(b) A pharmaceutical manufacturer may not use claim information received under this section to:

(i) establish restrictions or limitations on a participating 340B entity's ability to purchase a 340B drug, including by establishing:

(A) allocations on purchasing based on the number of claims for which the participating 340B entity provides claim information; or

(B) time limits for a participating 340B entity to replenish or replace inventory of a 340B drug;

(ii) recoup from a participating 340B entity a discount for a 340B drug;

(iii) discriminate against, lower the reimbursement for, or impose any separate condition on a participating 340B entity; or

(iv) take any other action that is not expressly authorized under this part.

(5)

(a) Beginning on July 1, 2026, on or before July 1 each year, a participating 340B entity shall provide the following to the department in a form and manner determined by the department:

(i) the name of the participating 340B entity;

(ii) a copy of the participating 340B entity's annual 340B program recertification;

(iii) if the participating 340B entity is required to conduct a community health needs assessment under Section 501(r)(3)(A), Internal Revenue Code, a copy of the participating 340B entity's most recent community health needs assessment;

(iv) a statement that the participating 340B entity is in compliance with the 340B drug discount program;

(v) the total number of contract pharmacies with which the participating 340B entity contracts;

(vi) the total number of contract pharmacies located out-of-state and the states in which out-of-state contract pharmacies; and

(vii) for the prior year:

(A) a description of the impact of the 340B drug discount program on the patients and community served by the participating 340B entity;

(B) the total operating costs of the participating 340B entity;

(C) the total uncompensated care provided by the participating 340B entity; and

(D) the total number of prescriptions and the percentage of the participating 340B entity's prescriptions filled at contract pharmacies.

(b) An officer of the participating 340B entity shall certify the completeness and accuracy of the information submitted in accordance with Subsection (5)(a).

(c)

(i) The department shall use the information described in Subsection (5)(a) to prepare a report detailing aggregate information received from a participating 340B entity.

(ii) The department shall submit the report described in Subsection (5)(c)(i) to the Health and Human Services Interim Committee on or before October 1, 2026.

(iii) The department shall post the report described in Subsection (5)(c)(ii) on a publicly accessible website.

(6) Nothing in this section shall be construed to conflict with federal law.

Section 3. **Effective date.**

This bill takes effect on May 7, 2025.

SB0069 compared with SB0069S03

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