Evan J. Vickers proposes the following substitute bill:

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Medication Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

House Sponsor:

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LONG TITLE

4 General Description:

- 5 This bill addresses interference of pharmacy participation in a federal drug discount
- 6 program.

7 Highlighted Provisions:

- 8 This bill:
- 9 defines terms; and
- prohibits interfering with a pharmacy's ability to acquire or dispense certain drugs under a
- 11 federal discount program.
- 12 Money Appropriated in this Bill:
- None None
- 14 Other Special Clauses:
- None None
- 16 Utah Code Sections Affected:
- 17 ENACTS:
- 18 **31A-46-311**, Utah Code Annotated 1953

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- 20 Be it enacted by the Legislature of the state of Utah:
- 21 Section 1. Section **31A-46-311** is enacted to read:
- 22 <u>31A-46-311</u>. Protection of pharmacy discount drug market.
- 23 (1) As used in this section:
- (a) "340B drug" means a drug that a 340B entity may purchase at a reduced price
 pursuant to the 340B drug discount program.
- (b) "340B drug discount program" means the federal program limiting drug prices for
 covered entities, as described in 42 U.S.C. Sec. 256b et seq.
- (c) "340B entity" means an entity authorized to participate in the 340B drug discount
 program.

| 30 | <u>(d)</u> | "Manufacturer" means a drug manufacturer authorized to participate in the 340B |
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| 31 | | drug discount program. |
| 32 | <u>(e)</u> | "Pharmaceutical entity" means: |
| 33 | | (i) a 340B entity; |
| 34 | | (ii) a manufacturer; or |
| 35 | | (iii) an agent or affiliate of a 340B entity or manufacturer. |
| 36 | (2) A p | harmaceutical entity may not directly or indirectly restrict or prohibit: |
| 37 | <u>(a)</u> | a pharmacy from contracting with a 340B entity to dispense drugs under the 340B |
| 38 | | drug discount program, including by denying the pharmacy access to a drug that is |
| 39 | | manufactured by the pharmaceutical entity; |
| 40 | <u>(b)</u> | a 340B entity from contracting with a pharmacy to dispense drugs under the 340B |
| 41 | | drug discount program, including by denying the 340B entity access to a drug that is |
| 42 | | manufactured by the pharmaceutical entity; |
| 43 | <u>(c)</u> | the acquisition, dispensing, or delivery of a 340B drug to any location authorized by |
| 44 | | a 340B entity to receive the drug, unless prohibited by federal law; or |
| 45 | <u>(d)</u> | a 340B entity from receiving discount pricing for a 340B drug in accordance with the |
| 46 | | 340B drug discount program, including by imposing a time limitation on a 340B |
| 47 | | entity to replenish or submit a claim for a 340B drug. |
| 48 | (3) Ap | harmaceutical entity may not directly or indirectly: |
| 49 | <u>(a)</u> | require a 340B entity to purchase a 340B drug from a supplier if the pharmaceutical |
| 50 | | entity would otherwise permit the 340B entity to purchase a drug that is not a 340B |
| 51 | | drug from the supplier; |
| 52 | <u>(b)</u> | require a 340B entity to submit any claim data, utilization data, or information about |
| 53 | | a 340B entity's contracts with a third-party as a condition for allowing the acquisition |
| 54 | | of a 340B drug by, or delivery of a 340B drug to, a 340B entity, unless the sharing of |
| 55 | | the data or information is required under federal law; or |
| 56 | <u>(c)</u> | otherwise interfere with: |
| 57 | | (i) a contract between a pharmacy and a 340B entity; or |
| 58 | | (ii) the ability of a pharmacy and a 340B entity to enter into a contract to dispense |
| 59 | | drugs under the federal 340B drug discount program. |
| 60 | (4) Not | thing in this section is to be construed to conflict with federal law. |
| 61 | S | ection 2. Effective Date. |
| 62 | This bil | l takes effect on May 7, 2025. |