

**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**

**Committee Note:**

The Medicaid Interim Committee recommended this bill.

**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:



28 26-18-12, Utah Code Annotated 1953

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

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

32 **26-18-12. Expansion of 340B drug pricing programs.**

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

35 (2) The department shall:

36 (a) determine ~~§~~ :

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

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

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

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

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

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

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

49 (i) ~~§~~ [whether] ~~§~~ the patients of the community health center would benefit from  
 49a establishing

50 a 340B drug pricing program either on site, or through a contract with a pharmacy provider;  
 51 and

52 (ii) ~~§~~ [whether] ~~§~~ the community health center can provide the 340B drug price  
 52a savings to

53 the community health center's Medicaid patients; and

54 (d) beginning May 21, 2008, report on a quarterly basis to the Legislature's Health and  
 55 Human Services Interim Committee and Health and Human Services Appropriations

56 Subcommittee on the department's progress towards implementing an expansion of the use of  
57 the 340B drug pricing program by community health centers.

58 (3) ~~§~~→ **If the department needs a Medicaid waiver to implement a 340B drug program**  
58a **for a specific disease, the department shall comply with the reporting requirements of**  
58b **Subsection (2)(b)(ii) of this section, and the reporting requirements of Section 26-18-3.**

58c (4) ~~←~~§ This section shall sunset in accordance with Section 63-55-226.

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

60 ~~63-55-226. Repeal dates, Title 26.~~

61 (1) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July  
62 1, 2015.

63 (2) Section 26-18-12, Expansion of 340B drug pricing programs, is repealed July 1,  
64 2013.

65 [~~2~~] (3) Title 26, Chapter 23b, Detection of Public Health Emergencies Act, is  
66 repealed July 1, 2009.

67 [~~3~~] (4) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1,  
68 2014.

69 [~~4~~] (5) Section 26-21-23, Licensing of non-Medicaid nursing care facility beds, is  
70 repealed July 1, 2009.

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**Legislative Review Note**

**as of 11-20-07 1:48 PM**

**Office of Legislative Research and General Counsel**

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**H.B. 74 - Medicaid 340 B Drug Pricing Programs**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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