

SENATE BILL NO. 1178

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR FITZWATER.

3818S.011

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 191, RSMo, by adding thereto one new section relating to the 340B drug program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 191, RSMo, is amended by adding thereto
2 one new section, to be known as section 191.1067, to read as
3 follows:

191.1067. 1. As used in this section, the following
2 terms mean:

3 (1) "340B covered hospital", an entity described in 42
4 U.S.C. Section 256b(a)(4)(L) to 42 U.S.C. Section
5 256b(a)(4)(O) that:

6 (a) Is authorized to participate in the federal 340B
7 Drug Pricing Program under Section 340B of the federal
8 Public Health Service Act, 42 U.S.C. Section 256b(a)(4), and
9 has a service address in this state as of January first of
10 the reporting year; or

11 (b) Any offsite outpatient facility affiliated under
12 the 340B program with an entity described in this
13 subdivision;

14 (2) "340B program" or "340B drug pricing program", the
15 federal 340B Drug Pricing Program established under 42
16 U.S.C. Section 256b;

17 (3) "Charity care", the unreimbursed cost to a
18 hospital of providing, funding, or otherwise financially
19 supporting health care services:

20 (a) To a person classified by the hospital as
21 financially indigent or medically indigent on an inpatient
22 or outpatient basis; or

23 (b) To financially indigent patients through other
24 nonprofit or public outpatient clinics, hospitals, or health
25 care organizations;

26 (4) "Financially indigent", an uninsured or
27 underinsured person who is accepted for care with no
28 obligation or a discounted obligation to pay for the
29 services rendered based on the hospital's financial criteria
30 and procedures used to determine if a patient is eligible
31 for charity care, provided that the criteria and procedures
32 include income levels and means testing indexed to the
33 federal poverty guidelines. A hospital may determine that a
34 person is financially or medically indigent under the
35 hospital's eligibility system after health care services are
36 provided;

37 (5) "Medically indigent", a person whose medical or
38 hospital bills after payment by third-party payers exceed a
39 specified percentage of the patient's annual gross income as
40 determined in accordance with the hospital's eligibility
41 system, and who is financially unable to pay the remaining
42 bill.

43 2. Before April first of each year, a 340B covered
44 hospital shall report to the department of health and senior
45 services the following information and transactions
46 concerning the 340B covered hospital's participation in, or
47 participation on behalf of the 340B covered hospital in, the
48 federal 340B program for the previous calendar year:

49 (1) The 340B covered hospital's:
50 (a) Name;
51 (b) Service address;
52 (c) 340B program identification number; and
53 (d) Designation of entity type as specified in 42
54 U.S.C. Section 256b(a) (4);
55 (2) The aggregate acquisition cost for all
56 prescription drugs obtained under the 340B program and
57 dispensed or administered to patients;
58 (3) The aggregate payment amount received for all
59 drugs obtained under the 340B program and dispensed or
60 administered to patients;
61 (4) The aggregate payment made to pharmacies under
62 contract to dispense drugs obtained under the 340B program;
63 (5) The number of claims for prescription drugs
64 described in subdivision (3) of this subsection;
65 (6) How the 340B covered hospital uses any savings
66 from participating in the 340B program, including the amount
67 of savings used for the provision of charity care, community
68 benefits, or a similar program of providing unreimbursed or
69 subsidized health care;
70 (7) The aggregate payments made to any other entity
71 that is not a 340B covered hospital and is not a contract
72 pharmacy, as described in subdivision (4) of this
73 subsection, for managing any aspect of the 340B covered
74 hospital's utilization of the 340B program;
75 (8) The aggregate payment made for any other
76 administering expense for the 340B program;
77 (9) The aggregate number of prescription drugs
78 dispensed or administered to patients for which a payment
79 was reported under subdivision (3) of this subsection;

80 (10) The percentage of the 340B covered hospital's
81 claims that were for prescription drugs obtained under the
82 340B program;

83 (11) The number and percentage of low income patients
84 of the 340B covered hospital that were served by a sliding
85 fee scale for a prescription drug dispensed or administered
86 under the 340B program;

87 (12) The 340B covered hospital's total operating costs;

88 (13) The 340B covered hospital's total costs for
89 charity care; and

90 (14) A copy of the 340B covered hospital's financial
91 assistance policy for the reporting year.

92 3. The information required to be reported under
93 subdivisions (3) to (5) of subsection 2 of this section
94 shall, to the extent feasible, be reported by payer type,
95 including the following:

96 (1) Commercial;

97 (2) Medicaid or MO HealthNet;

98 (3) Medicare; and

99 (4) Uninsured.

100 4. The data submitted in the reports required under
101 subsection 2 of this section shall be closed records under
102 chapter 610.

103 5. Before November fifteenth of each year, the
104 department of health and senior services shall prepare a
105 report that aggregates the data submitted under subsections
106 2 and 3 of this section, shall provide the report to the
107 general assembly in electronic format, and shall publish the
108 report on the department's publicly accessible website.

109 6. A 340B covered hospital that fails to provide the
110 information required under subsection 2 or 3 of this section
111 by the date required in this section shall be subject to a

112 civil penalty of one thousand dollars per day the
113 information is past due.

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