

SECOND REGULAR SESSION

SENATE BILL NO. 1213

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR NICOLA.

3819S.02I

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 entity" or "covered entity", an
4 entity described in 42 U.S.C. Section 256b(a)(4) that:

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

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

13 (2) "340B program" or "340B drug pricing program", the
14 federal 340B Drug Pricing Program established under 42
15 U.S.C. Section 256b;

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

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

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

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

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

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

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

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

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

86 (12) The 340B covered entity's total operating costs;

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

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

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

- 95 (1) Commercial;
96 (2) Medicaid or MO HealthNet;
97 (3) Medicare; and
98 (4) Uninsured.

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

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

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

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

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