

SENATE BILL NO. 1340

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

5573S.011

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to payments for prescription drugs.

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

Section A. Chapter 376, RSMo, is amended by adding thereto
2 one new section, to be known as section 376.417, to read as
3 follows:

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

3 (1) "340B drug", the same meaning given to the term in
4 section 376.414;

5 (2) "Covered entity", any entity described in
6 subparagraphs (A) to (K) of subsection (a)(4) of Section
7 340B of the Public Health Service Act, 42 U.S.C. Section
8 256b, including any pharmacy with which such entity has
9 contracted to dispense 340B drugs on behalf of the entity;

10 (3) "Health carrier", the same meaning given to the
11 term in section 376.1350;

12 (4) "Pharmacy", an entity licensed under chapter 338;

13 (5) "Pharmacy benefits manager", the same meaning
14 given to the term in section 376.388.

15 2. A health carrier, a pharmacy benefits manager, or
16 an agent or affiliate of such health carrier or pharmacy
17 benefits manager shall not discriminate against a covered

entity including, but not limited to, by doing any of the following:

(1) Reimbursing a covered entity for a quantity of a 340B drug in an amount less than it would pay any other similarly situated pharmacy or entity that is not a covered entity for such quantity of such drug on the basis that the covered entity is a covered entity or that the covered entity dispenses 340B drugs. The director of the department of commerce and insurance shall specify by rule the circumstances under which a pharmacy or entity shall be deemed a "similarly situated pharmacy or entity" for purposes of this subdivision;

(2) Imposing any terms or conditions on covered entities that differ from such terms or conditions applied to other similarly situated entities or pharmacies that are not covered entities on the basis that the covered entity is a covered entity or that the covered entity dispenses 340B drugs including, but not limited to, terms or conditions with respect to any of the following:

(a) Fees, chargebacks, clawbacks, adjustments, or other assessments;

(b) Professional dispensing fees;

(c) Restrictions or requirements regarding participation in standard or preferred pharmacy networks;

(d) Requirements relating to the frequency or scope of audits or to inventory management systems using generally accepted accounting principles; and

(e) Any other restrictions, conditions, practices, or policies that, as specified by the director of the department of commerce and insurance, interfere with the ability of a covered entity to maximize the value of discounts provided under 42 U.S.C. Section 256b;

50 (3) Discriminating in reimbursement to a covered
51 entity based on the determination or indication a drug is a
52 340B drug;

53 (4) Requiring a covered entity to identify, either
54 directly or through a third party, a 340B drug;

55 (5) Refusing to cover drugs purchased under the 340B
56 drug-pricing program; or

57 (6) Requiring a covered entity to reverse, resubmit,
58 or clarify a 340B drug-pricing claim after the initial
59 adjudication unless these actions are:

60 (a) In the normal course of pharmacy business and not
61 related to 340B drug pricing; or

62 (b) Required by federal law.

63 3. The director of the department of commerce and
64 insurance shall impose a civil penalty on any health
65 carrier, pharmacy benefits manager, or agent or affiliate of
66 such health carrier or pharmacy benefits manager that
67 violates the requirements of this section. Such penalty
68 shall not exceed five thousand dollars per violation per day.

69 4. The director of the department of commerce and
70 insurance shall promulgate rules to implement the provisions
71 of this section. Any rule or portion of a rule, as that
72 term is defined in section 536.010, that is created under
73 the authority delegated in this section shall become
74 effective only if it complies with and is subject to all of
75 the provisions of chapter 536 and, if applicable, section
76 536.028. This section and chapter 536 are nonseverable and
77 if any of the powers vested with the general assembly
78 pursuant to chapter 536 to review, to delay the effective
79 date, or to disapprove and annul a rule are subsequently
80 held unconstitutional, then the grant of rulemaking

81 authority and any rule proposed or adopted after August 28,
82 2026, shall be invalid and void.

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