

1 TO THE HONORABLE SENATE:

2 The Committee on Health and Welfare to which was referred House Bill
3 No. 266 entitled “An act relating to the 340B prescription drug pricing
4 program” respectfully reports that it has considered the same and recommends
5 that the Senate propose to the House that the bill be amended as follows:

6 First: By striking out Sec. 2, 18 V.S.A. § 9406, in its entirety and inserting
7 in lieu thereof a new Sec. 2 to read as follows:

8 Sec. 2. 18 V.S.A. § 9406 is added to read:

9 § 9406. REPORTING ON PARTICIPATION IN 340B DRUG PRICING

10 PROGRAM

11 (a) Annually on or before January 31, each hospital participating in the
12 federal 340B drug pricing program established by 42 U.S.C. § 256b shall
13 submit to the Green Mountain Care Board, in a form and manner prescribed
14 by the Board, a report detailing the hospital’s participation in the program
15 during the previous hospital fiscal year, which report shall be posted on the
16 Green Mountain Care Board’s website and which shall contain at least the
17 following information:

18 (1) The annual estimated savings to the hospital from participating in the
19 340B program, comparing the acquisition price of drugs under the 340B
20 program to group purchasing organization pricing. If group purchasing
21 organization pricing is not available for a specific drug, the hospital shall

1 compare the acquisition price under the 340B program to the price from
2 another generally accepted pricing source.

3 (1)(A) For prescription drugs that the hospital or any entity acting
4 on behalf of the hospital obtained through the 340B program and
5 dispensed or administered to patients during the previous calendar year:

6 (i) the aggregated acquisition cost for all such prescription
7 drugs; and

8 (ii) the aggregated payment amount that the hospital received
9 for all such prescription drugs, with information reported separately for
10 each of the following distribution channels:

11 (I) dispensed drugs from an in-house pharmacy;

12 (II) dispensed drugs from a contract pharmacy;

13 (III) administered drugs paid separately; and

14 (IV) administered drugs paid by bundled payments.

15 (B) For administered drugs for which payment was bundled with
16 payment for other services, as set forth in subdivision (A)(ii)(IV) of this
17 subdivision (1), the hospital shall estimate the payment amount by
18 comparing the actual acquisition cost for a drug to the wholesale
19 acquisition cost for that drug.

1 (2) The aggregated payment amount that the hospital made to
2 pharmacies with which the hospital contracted to dispense drugs to its patients
3 under the 340B program during the previous hospital fiscal year.

4 (3) The aggregated payment amount that the hospital made to any other
5 outside vendor for managing, administering, or facilitating any aspect of the
6 hospital's 340B drug program during the previous hospital fiscal year.

7 ~~(4) The number of claims for all prescription drugs the hospital obtained~~
8 ~~through the 340B program during the previous hospital fiscal year.~~

9 (4) A description of the ways in which the hospital uses savings
10 revenue from its participation in the 340B program to benefit its community
11 through programs and services funded in whole or in part by savings revenue
12 from the 340B program, including services that support community access to
13 care that the hospital could not continue without these savings this revenue.

14 (5) A description of the hospital's internal review and oversight of its
15 participation in the 340B program in compliance with the U.S. Department of
16 Health and Human Services, Health Resources and Services Administration's
17 340B program rules and guidance.

18 (b) In addition to the vendor information required pursuant to
19 subdivision (a)(3) of this section, each hospital shall also provide to the
20 Board a list of the names of all vendors that managed, administered, or
21 facilitated any aspect of the hospital's 340B program during the previous

1 calendar year, along with a brief description of the work performed by
2 each vendor. The vendor information reported pursuant to this
3 subsection shall be exempt from public inspection and copying under the
4 Public Records Act and shall be kept confidential, except that the Board
5 shall provide the information to the Office of the Health Care Advocate,
6 which shall not further disclose this confidential information.

7 Second: By adding a new section to be Sec. 4 to read as follows:

8 Sec. 4. 8 V.S.A. § 4089j is amended to read: **(NEW)**

9 § 4089j. RETAIL PHARMACIES; FILLING OF PRESCRIPTIONS

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11 (d)(1) A health insurer or pharmacy benefit manager shall permit a
12 participating network pharmacy to perform all pharmacy services within the
13 lawful scope of the profession of pharmacy as set forth in 26 V.S.A. chapter
14 36.

15 * * *

16 ~~(4) A health insurer or pharmacy benefit manager shall not, by contract,~~
17 ~~written policy, or written procedure, require that a pharmacy designated by the~~
18 ~~health insurer or pharmacy benefit manager dispense a medication directly to a~~
19 ~~health care setting for a health care professional to administer to a patient.~~

20 [Repealed.]

21 * * *

1 and by renumbering the existing Sec. 4, effective date, to be Sec. 5

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7 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE