Bill Summary 1st Session of the 60th Legislature

Bill No.: SB 1030
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Author: Sen. Howard
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Bill Analysis

SB 1030 creates the 340B Drug Pricing Nondiscrimination Act. The measure defines a 340B drug as a drug that has been subject to any reduced purchase price by a manufacturer that is purchased by a covered entity. The measure prohibits any health insurance issuer, pharmacy benefits manager (PBM), or third-party payor from reimbursing a 340B entity at a rate lower than that paid for the same drug to entities that are not 340B entities or from imposing terms or conditions on any 340B entity that differ from such terms or conditions applied to non-340B entities. Such entities may not require a 340B entity to resubmit information unless it is in the normal course of business, nor shall they discriminate against a 340B entity in a manner that prevents or interferes with any patient's choice to receive such drugs from the 340B entity.

The measure prohibits manufacturers and distributors from denying or discriminating against 340B drug pricing. The measure directs the Attorney General to promulgate rules to effectuate the provisions of this measure and to make recommendations to the Insurance Commissioner. The measure establishes a civil fine of \$100.00-\$10,000.00 for each violation.

Prepared by: Kalen Taylor