

SS SB 751 -- DISTRIBUTION OF 340B DRUGS

SPONSOR: Brown (216) (Thompson)

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Public Policy by a vote of 6 to 1. Voted "Do Pass" by the Standing Committee on Rules-Administrative Oversight by a vote of 8 to 1.

This bill specifies provisions relating to the distribution of 340B drugs.

This bill provides that certain entities, as specified in the bill, must not restrict acquisition or delivery of 340B drugs to pharmacies that are under contract with a covered entity to receive and dispense 340B drugs on behalf of the covered entity. Violation of this provision is an unlawful merchandising practice, and each package of 340B drugs affected, as defined by federal law, will constitute a separate violation. The Board of Pharmacy may investigate and impose discipline for violations of these provisions.

The bill specifies that nothing in these provisions will be construed or applied to be less restrictive than Federal law, or to conflict with Federal or State law. Limited distribution of a drug required under Federal law will not be a violation of the bill.

PROPOSERS: Supporters say that this bill is a necessary step in stopping the predatory practices of big pharmaceutical companies. Supporters say that 340B protections help to maintain operations for struggling rural providers as many hospitals in rural Missouri face the possibility of closure. Ensuring that patients have ready access to life-saving drugs is also a crucial component of this bill.

Testifying in person for the bill were Senator Brown; Healthcare Distribution Alliance; Healthcare Distribution Alliance; Mo Primary Care Association; Four Rivers Health Center; Cox Health; Craig Thompson, Golden Valley Memorial Hospital; University Health/Truman Medical Center; Jodie Gregg; Mo Pharmacy Assoc.; Karen White, Big Springs Medical Assoc. DBA Mo Highlands Health Care; St. Luke's Health System; Mariah Hollabaugh, Citizens Memorial Hospital; Mosaic Life Care; BJC Health Care; University Of Missouri Health Care; Missouri Hospital Association; Scott Crouch, Ozarks Community Health Center; Todd Ahrens, Hannibal Regional Hospital; and, SSM Health.

OPPOSERS: Those who oppose the bill say that the 340B program is being abused due to the lack of Federal oversight. They contend that hospitals are misusing the program by purchasing drugs at a

discount and then selling them at higher prices outside the communities they serve. Additionally, opponents claim that the bill interferes with the private marketplace.

Testifying in person against the bill were Phrma; Pfizer; and Missouri Biotechnology Association.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.