



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: ANGELA BROOKS		PHONE NUMBER: 314-488-8641	
BUSINESS/ORGANIZATION NAME: FOUR RIVERS HEALTH CENTER		TITLE: DIRECTOR OF PHARMACY SERVICES	
ADDRESS: 706 LARIAT LANE			
CITY: ROLLA		STATE: MO	ZIP: 65401
EMAIL: abrooks@fourrivers.org	ATTENDANCE: In-Person		SUBMIT DATE: 5/2/2024 11:37 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: ARNIE C. "HONEST-ABE" DIENOFF-STATE PUBLIC ADVOCAT		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL: arniedienoff@yahoo.com	ATTENDANCE: Written		SUBMIT DATE: 5/2/2024 11:59 PM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

I am in Support of this Bill. This Bill will bring needed Medications to Patients that make a huge difference in the daily lives of several Missourians. This Bill will also help keep open Rural Hospitals across our State. Pharmaceutical Companies have an obligation to keep Patients who are in need of the reduction in cost and access to the Medical Supplies.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: CHASE CAMPBELL		PHONE NUMBER: 573-864-0972	
REPRESENTING: COX HEALTH		TITLE:	
ADDRESS: 124 E HIGH ST			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: CRAIG THOMPSON		PHONE NUMBER: 660-890-7103	
BUSINESS/ORGANIZATION NAME: GOLDEN VALLEY MEMORIAL HOSPITAL		TITLE: CEO	
ADDRESS: 1600 N. SECOND ST.			
CITY: CLINTON		STATE: MO	ZIP: 64735
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: GERARD J. GRIMALDI		PHONE NUMBER: 816-404-3502	
REPRESENTING: UNIVERSITY HEALTH/TRUMAN MEDICAL CENTER		TITLE:	
ADDRESS: 2301 HOLMES			
CITY: KANSAS CITY		STATE: MO	ZIP: 64145
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: JODIE GREGG		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE:		SUBMIT DATE: 5/2/2024 12:00 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: JORGEN SCHLEMEIER		PHONE NUMBER: 573-634-4876	
REPRESENTING: MO PHARMACY ASSOC.		TITLE:	
ADDRESS: 213 E. CAPITOL AVE.			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: JUSTIN ALFERMAN		PHONE NUMBER: 636-667-1093	
REPRESENTING: SSM HEALTH		TITLE:	
ADDRESS: 25 WOODFOX LANE			
CITY: HERMANN		STATE: MO	ZIP: 65041
EMAIL: justinalf@gmail.com	ATTENDANCE: In-Person		SUBMIT DATE: 5/2/2024 9:57 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: KAREN WHITE		PHONE NUMBER: 573-663-2313	
BUSINESS/ORGANIZATION NAME: BIG SPRINGS MEDICAL ASSOC. DBA MO HIGHLANDS HEALTH CARE		TITLE: CEO	
ADDRESS: PO BOX 157			
CITY: ELLINGTON		STATE: MO	ZIP: 63638
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: KATHI HARNESS		PHONE NUMBER: 573-353-4188	
REPRESENTING: HARNESS AND ASSOCIATES- ST. LUKE's HEALTH SYSTEM		TITLE:	
ADDRESS: PO BOX 751			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65102
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: KATIE REICHARD EIKEN		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME: MO PRIMARY CARE ASSOCIATION		TITLE: DIR. OF GOVERNMENT AFFAIRS	
ADDRESS:			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65109
EMAIL: kreichard@mo-pca.org	ATTENDANCE: In-Person		SUBMIT DATE: 5/2/2024 10:50 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

MPCA and our 27 FQHC members with over 200 locations across the state ask for the support of this committee for SB 751.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: MARIAH HOLLABAUGH		PHONE NUMBER: 573-893-3700	
BUSINESS/ORGANIZATION NAME: CITIZENS MEMORIAL HOSPITAL		TITLE:	
ADDRESS: 4712 COUNTRY CLUB DR			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65109
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: MEAGAN HOWERTON		PHONE NUMBER: 573-418-7616	
REPRESENTING: MOSAIC LIFE CARE AND BJC HEALTH CARE		TITLE:	
ADDRESS:			
CITY:		STATE: MO	ZIP:
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: OLIVIA WILSON		PHONE NUMBER:	
REPRESENTING: UNIVERSITY OF MISSOURI HEALTH CARE		TITLE:	
ADDRESS: 217 E. CAPITOL			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: ROB MONSEES		PHONE NUMBER: 573-999-9652	
REPRESENTING: MISSOURI HOSPITAL ASSOCIATION		TITLE:	
ADDRESS: PO BOX 60			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65102
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: SCOTT CROUCH		PHONE NUMBER: 417-399-3116	
BUSINESS/ORGANIZATION NAME: OZARKS COMMUNITY HEALTH CENTER		TITLE: CEO	
ADDRESS: 18614 JACKSON ST.			
CITY: HERMITAGE		STATE: MO	ZIP: 65613
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: SHARON FENNEWALD		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL: sharon.fennewald@swissmeats.com	ATTENDANCE: Written		SUBMIT DATE: 5/1/2024 12:26 PM

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

I wanted to submit my support of the senate bill sponsored by Sen. Ben Brown to BAN ranked-choice voting in Missouri.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: TODD AHRENS		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME: HANNIBAL REGIONAL HOSPITAL		TITLE: CEO	
ADDRESS: 6000 HOSPITAL DR.			
CITY: HANNIBAL		STATE: MO	ZIP: 63401
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: TONIANN RICHARD		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL: toniann@hccnetwork.org	ATTENDANCE: Written		SUBMIT DATE: 5/2/2024 11:19 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

As the CEO of an FQHC in West Central Missouri it is important to ensure our patients have access to their medications. FQHCs have a solid history of being fiscally and ethically responsible with the distribution and reconciliation of these programs and losing access to the 340B program would be detrimental to our public health care delivery system. In our organization, HCC Network, revenues from the 340B program support our enabling services such as transportation, housing and food insecurities.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: WILLIAM DANE		PHONE NUMBER: 405-412-7412	
REPRESENTING: HEALTHCARE DISTRIBUTION ALLIANCE		TITLE: SENIOR DIRECTOR, STATE GOVERNMENT AFFAIRS	
ADDRESS: 10200 CREEK MEADOW DRIVE			
CITY: OKLAHOMA CITY		STATE: OK	ZIP: 73151
EMAIL: wdane@hda.org	ATTENDANCE: Written	SUBMIT DATE: 5/2/2024 10:57 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

*Corrected May 2, 2024 The Honorable Terry Thompson Chair, Missouri House Special Committee on Public Policy Submitted as Testimony Chairman Thompson, Vice Chair Hudson and Honorable Members of the Special Committee on Public Policy: On behalf of the Healthcare Distribution Alliance (HDA), I thank you for your time and review of Senate Bill 751 as perfected and passed, and extend that same gratitude to Senator Brown and Representative Peters who have worked with a variety of stakeholders, including the Missouri Hospital Association, to bring this language before you today after much input and discussion. Quickly, HDA is the vital link between the nation's pharmaceutical manufacturers and more than 350,000 pharmacies and healthcare settings around the country. An estimated 95% of prescription drugs are handled by our members, who save our nation's Healthcare System billions of dollars each year through ever-expanding logistics and efficiencies. Unlike other supply chain members, distributors business does not involve manufacturing pharmaceutical drugs, to include marketing, prescribing, or dispensing medications. Importantly, our role is on the "product movement" side of the product and not the "pricing" side. For the committee's reference, these are the primary topics discussed with the sponsors and other stakeholders:

- Wholesale distributors work under contract with pharmaceutical manufacturers. For the distribution services they provide, wholesalers charge manufacturers a bona fide service fee, as stipulated by federal law, that is not passed along to the subsequent purchaser. These service fees typically underwrite the cost of warehousing, ordering, special product handling services and transporting products to the thousands of ship-to points each distributor serves every day.
- In their role as a wholesale distributor, HDA members do not manufacture, market, prescribe or dispense medicines, nor do they set the list price of prescription drugs, set third party payor reimbursement or coverage for prescription drugs, influence prescribing patterns, or determine patient-benefit designs. Similarly, wholesalers are not directly engaged in the 340B program beyond fulfilling orders.
- Manufacturers participating in the 340B program determine the price for their 340B drug products and provide this price to their wholesaler. Wholesalers will then load this price into 340B accounts for covered entities to place orders.
- Wholesale distributors DO NOT play a role in setting 340B pricing, nor are they privy to it, until manufacturers provide the pricing to the wholesaler.
- Covered Entities, or a covered entity's designated contract pharmacy, will place orders through a designated 340B account. The wholesaler will then fulfill these orders at the 340B price.
- Since wholesalers work on a fee-for-service contract with the manufacturer, there is no incentive or disincentive based on the customer type (they receive distribution fees whether the sale is at the 340B price, WAC or some other price point).
- Any stipulation regarding the delivery or distribution of a 340B product would be solely determined by the manufacturer, and these decisions would be dictated to the wholesaler.
- Including wholesale distributors within 340B legislation would

hold the wholesaler accountable for the actions determined by a manufacturer, actions the wholesaler does not have oversight or influence over. • Not that the points above aren't important, but it is most imperative to note that the inclusion of wholesalers in the language as originally drafted would conflict with wholesalers' obligations under federal Drug Enforcement Administration (DEA) regulations with respect to how they handle orders for controlled substances. Similarly, for three wholesalers, the language would also contradict their obligations under the national Injunctive Relief requirements. This would result in the wholesaler being placed in an untenable position of choosing "which law to break" rather than serving the supply chain. On behalf of the Healthcare Distribution Alliance and each of our member companies, we believe that the intent of Senate Bill No. 751 as drafted before you today is met and, again, appreciate the conversations leading up to this hearing that will undoubtedly avoid unnecessary or unintended consequences were we to be included. Please feel free to reach out to me at (405) 412-7412 or wdane@hda.org if you have any questions. Best, Will Dane/William M. Dane Senior Director, State Government Affairs Healthcare Distribution Alliance



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: WILLIAM DANE		PHONE NUMBER: 405-412-7412	
REPRESENTING: HEALTHCARE DISTRIBUTION ALLIANCE		TITLE: SENIOR DIRECTOR, STATE GOVERNMENT AFFAIRS	
ADDRESS: 10200 CREEK MEADOW DRIVE			
CITY: OKLAHOMA CITY		STATE: OK	ZIP: 73151
EMAIL: wdane@hda.org	ATTENDANCE: Written	SUBMIT DATE: 5/2/2024 10:51 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

May 2, 2024The Honorable Terry ThompsonChair, Missouri Senate Special Committee on Public PolicyTestimony in Support of, and Providing Information on, Senate Bill 751Chairman Thompson, Vice Chair Hudson and Honorable Members of the Special Committee on Public Policy:On behalf of the Healthcare Distribution Alliance (HDA), I thank you for your time and review of Senate Bill 751 as perfected and passed, and extend that same gratitude to Senator Brown and Representative Peters who have worked with a variety of stakeholders, including the Missouri Hospital Association, to bring this language before you today after much input and discussion.Quickly, HDA is the vital link between the nation's pharmaceutical manufacturers and more than 350,000 pharmacies and healthcare settings around the country. An estimated 95% of prescription drugs are handled by our members, who save the our nation's Healthcare System billions of dollars each year through ever-expanding logistics and efficiencies. Unlike other supply chain members, distributors business does not involve manufacturing pharmaceutical drugs, to include marketing, prescribing, or dispensing medications. Importantly, our role is on the "product movement" side of the product and not the "pricing" side. For the committee's reference, these are the primary topics discussed with the sponsors and other stakeholders:•

Wholesale distributors work under contract with pharmaceutical manufacturers. For the distribution services they provide, wholesalers charge manufacturers a bona fide service fee, as stipulated by federal law, that is not passed along to the subsequent purchaser. These service fees typically underwrite the cost of warehousing, ordering, special product handling services and transporting products to the thousands of ship-to points each distributor serves every day. •

In their role as a wholesale distributor, HDA members do not manufacture, market, prescribe or dispense medicines, nor do they set the list price of prescription drugs, set third party payor reimbursement or coverage for prescription drugs, influence prescribing patterns, or determine patient-benefit designs. Similarly, wholesalers are not directly engaged in the 340B program beyond fulfilling orders. •

Manufacturers participating in the 340B program determine the price for their 340B drug products and provide this price to their wholesaler. Wholesalers will then load this price into 340B accounts for covered entities to place orders. • Wholesale distributors DO NOT play a role in setting 340B pricing, nor are they privy to it, until manufacturers provide the pricing to the wholesaler. •

Covered Entities, or a covered entity's designated contract pharmacy, will place orders through a designated 340B account. The wholesaler will then fulfill these orders at the 340B price. •

Since wholesalers work on a fee-for-service contract with the manufacturer, there is no incentive or disincentive based on the customer type (they receive distribution fees whether the sale is at the 340B price, WAC or some other price point). • Any stipulation regarding the delivery or distribution of a 340B product would be solely determined by the manufacturer, and these decisions

would be dictated to the wholesaler. • Including wholesale distributors within 340B legislation would hold the wholesaler accountable for the actions determined by a manufacturer, actions the wholesaler does not have oversight or influence over. • Not that the points above aren't important, but it is most imperative to note that the inclusion of wholesalers in the language as originally drafted would conflict with wholesalers' obligations under federal Drug Enforcement Administration (DEA) regulations with respect to how they handle orders for controlled substances. Similarly, for three wholesalers, the language would also contradict their obligations under the national Injunctive Relief requirements. This would result in the wholesaler being placed in an untenable position of choosing "which law to break" rather than serving the supply chain. On behalf of the Healthcare Distribution Alliance and each of our member companies, we believe that the intent of Senate Bill No. 751 as drafted before you today is met and, again, appreciate the conversations leading up to this hearing that will undoubtedly avoid unnecessary or unintended consequences were we to be included. Please feel free to reach out to me at (405) 412-7412 or wdane@hda.org if you have any questions. Best,
Will Dane/William M. Dane Senior Director, State Government Affairs Healthcare Distribution A



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: BRIAN BERNSKOETTER		PHONE NUMBER: 573-636-2822	
REPRESENTING: PHRMA		TITLE:	
ADDRESS: 101 E. HIGH			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: DRUE DUNCAN		PHONE NUMBER: 573-823-8707	
REPRESENTING: PFIZER		TITLE:	
ADDRESS: 8501 S. WARREN SCHOOL RD			
CITY: COLUMBIA		STATE: MO	ZIP: 65203
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: KELLY GILLESPIE		PHONE NUMBER: 690-9267	
BUSINESS/ORGANIZATION NAME: MISSOURI BIOTECHNOLOGY ASSOCIATION		TITLE: EXEC DIRECTOR	
ADDRESS: PO BOX 148			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65102
EMAIL:	ATTENDANCE:	SUBMIT DATE: 5/2/2024 12:00 AM	

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: LILLY MELANDER		PHONE NUMBER: 202-993-0043	
BUSINESS/ORGANIZATION NAME: BIOTECHNOLOGY INNOVATION ORGANIZATION (BIO)		TITLE: DIRECTOR OF STATE GOVERNMENT AFFAIRS, BIO	
ADDRESS: 1201 NEW YORK NW SUITE 1300			
CITY: WASHINGTON		STATE: DC	ZIP: 20005
EMAIL: lmelander@bio.org	ATTENDANCE: Written	SUBMIT DATE: 5/1/2024 2:25 PM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

BIO respectfully opposes SB 751, as it distorts the 340B program beyond the scope of federal statute and erroneously mischaracterizes manufacturers' responsibilities within the distribution process. SB 751 contains language that erroneously implies manufacturers can select which pharmacies can participate as a 340B contract pharmacy. Manufacturers are not involved with contracts between pharmacies and another provider, including a 340B covered entity. Furthermore, the 340B program's requirement is for manufacturers to provide discounted drugs to 340B covered entities, and they are not required to facilitate distribution to their contract pharmacies. Therefore, it is not appropriate for legislation to dictate whether a manufacturer must allow for distribution of drugs to any pharmacy regardless of participation in the 340B program. The legislation prohibits manufacturers from withholding 340B-discounted drug products from a pharmacy that has contracted with a 340B covered entity. The issue of contract pharmacy is currently being litigated in several federal courts, as there is no statutory requirement for manufacturers to extend 340B prices to contract pharmacies. Contract pharmacy was created through federal guidance. A sub-regulatory guidance that the Health Resources and Services Administration (HRSA) – the agency that issued it— itself has acknowledged is legally unenforceable. Contract pharmacies have contributed to exponential growth in the 340B program. In 2014, discounted purchases under the 340B Drug Discount Program totaled roughly \$9 billion. In 2021, the program reached approximately \$44 billion, equating to approximately 14% of gross US sales of brand-name drugs. According to an October 2020 study, the number of contract pharmacy arrangements in the program grew by 4,228% from 2,321 in 2010 to 101,469 in 2020, and as of July 2023 this number increased to 194,016. Additionally, the number of unique pharmacy locations has grown from approximately 1,300 in 2010 to roughly 33,000 in 2023. According to one analysis, "the average profit margin on 340B medicines commonly dispensed through contract pharmacies is an estimated 72% compared with just 22% for non-340B medicines dispensed through independent pharmacies." This explosive growth has occurred because it is extremely profitable for pharmacies to share in the 340B discount provided to covered entities. A contract pharmacy's average gross profit margin on a 340B medicine dispensed at a contract pharmacy is estimated at 72%, compared to just 22% when dispensed by an independent pharmacy. HB 1056 would further benefit contract pharmacies' profit margins rather than the vulnerable patients the 340B program seeks to protect and serve. We oppose legislation to address federal 340B issues, especially those that are not in the federal statute and are subject to pending litigation. Please do not hesitate to contact us for any further information.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: SB 751		DATE: 5/2/2024	
COMMITTEE: Special Committee on Public Policy			
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input checked="" type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: ROBERT POPOVIAN		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL: rpopovian@gmail.com	ATTENDANCE: Written		SUBMIT DATE: 5/2/2024 1:00 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

Dear Committee Chair and Members: Thank you for allowing me to provide you with the following written testimony concerning SB751. I am providing this testimony as a neutral observer. All of the data provided in this testimony is available online through a tool developed by the Pioneer Institute utilizing data from the Health Resources and Services Administration (HRSA) and Rand Corporation. The website for the tool is <https://pioneerinstitute.org/340babuse/>. The information I am providing summarizes the findings regarding the 340B program in Missouri.

Key Points

- Missouri's low-income taxpayers are required to utilize for-profit 340B contract pharmacies in Hawaii, amongst many other states.
- 44% of 340B contract pharmacies for the top five Missouri hospitals with the most contract pharmacies are based outside the state.
- According to a study published in the Journal of American Medical Association, almost 90% of contract pharmacies operating in the U.S. are not mail-order pharmacies.
- PBM owned pharmacy has the most number of contracts benefiting from federal program intended to support needy Missouri taxpayers.
- Half of the contract pharmacies intended to serve poor patients in Missouri are located in affluent neighborhoods.

Top 5 Hospitals in Missouri

Hospital	# of 340B Contract Pharmacies	# of 340B Contract Pharmacies outside the State
SSM ST MARY'S HEALTH CENTER	317	125 (39%)
DEPAUL HEALTH CENTER	262	98 (37%)
SSM HEALTH SAINT LOUIS UNIV HOSP	222	79 (35%)
SSM ST. JOSEPH HEALTH CENTER	202	77 (38%)
HEARTLAND REGIONAL MED CENTER	136	77 (57%)

44% of 340B contract pharmacies for the top Missouri hospitals with the most contract pharmacies are based outside the state. Some of the pharmacies are in Hawaii.

Percentage of Contract Pharmacies in High-Income Districts = 51%
Percentage of Contract Pharmacies in Low-Income Districts = 49%

1. Why so many contract pharmacies?
2. Why are there so many contract pharmacies outside Missouri as far as Hawaii when most contract pharmacies are not mail order?
3. Why are so many of the contract pharmacies in affluent neighborhoods?
4. Why is the number one contract pharmacy in the state a PBM owned pharmacy and not a community pharmacy serving the patients in the community?
5. Isn't it reasonable for biopharmaceutical companies to ask a contract pharmacy to provide evidence that the medicine they dispensed that the pharmacy acquired through the 340B discount program was dispensed to an actual 340B patient?

340B is a great program that ought to be preserved. Unfortunately, for-profit contract pharmacies have taken hold of this worthwhile federal program for the sole intent of profiteering. The 340B program requires more transparency, not less. In fact, through transparency, pharmacies, and institutions that do right by patients will be rewarded. The passage of legislation denying the need for transparency and provision of data by contract pharmacies to ensure that the right patients benefit from this program is a step in the wrong direction.