

FIRST REGULAR SESSION

# HOUSE BILL NO. 784

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PETERS.

1554H.011

JOSEPH ENGLER, Chief Clerk

## AN ACT

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

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

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

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

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

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

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

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

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

2. A health carrier, a pharmacy benefits manager, or an agent or affiliate of such health carrier or pharmacy 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

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

18 of commerce and insurance shall specify by rule the circumstances under which a  
19 pharmacy or entity shall be deemed a "similarly situated pharmacy or entity" for  
20 purposes of this subdivision;

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

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

27 (b) Professional dispensing fees;

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

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

32 (e) Any other restrictions, conditions, practices, or policies that, as specified by  
33 the director of the department of commerce and insurance, interfere with the ability of a  
34 covered entity to maximize the value of discounts provided under 42 U.S.C. Section  
35 256b;

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

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

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

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

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

45 (b) Required by federal law.

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

50 4. The director of the department of commerce and insurance shall promulgate  
51 rules to implement the provisions of this section. Any rule or portion of a rule, as that  
52 term is defined in section 536.010, that is created under the authority delegated in this  
53 section shall become effective only if it complies with and is subject to all of the  
54 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter

55 **536 are nonseverable and if any of the powers vested with the general assembly**  
56 **pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul**  
57 **a rule are subsequently held unconstitutional, then the grant of rulemaking authority**  
58 **and any rule proposed or adopted after August 28, 2025, shall be invalid and void.**

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