HOUSE DOCKET, NO. 182 FILED ON: 1/11/2011

HOUSE . . . . . No. 618

The Commonwealth of Massachusetts

PRESENTED BY:

John W. Scibak

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act to require health care entities to participate in the 340B prescription drug discount program.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
John W. Scibak	*2nd Hampshire*

HOUSE DOCKET, NO. 182 FILED ON: 1/11/2011

HOUSE . . . . . No. 618

By Mr. Scibak of South Hadley, a petition (accompanied by bill, House, No. 618) of John W. Scibak for legislation to require health care entities to participate in the federal prescription drug price discount program. Public Health.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
HOUSE
, NO. *2153* OF 2009-2010.]

The Commonwealth of Massachusetts

An Act to require health care entities to participate in the 340B prescription drug discount program.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Notwithstanding the provisions of any general or specific law to the contrary, the Executive Office of Health and Human Services shall require that, except as provided in section 3, all programs, clinics, hospitals and other health-related centers and entities that are eligible under Section 340B of the federal Public Health Service Act, shall participate in the Section 340B federal prescription drug price discount program.

SECTION 2. (a) An entity eligible to participate in the 340B prescription drug discount program may contract with a pharmacy to provide pharmacy services to that eligible entity, as defined in Section 256b of Title 42 of the United States Code, including dispensing preferentially priced drugs obtained pursuant to Section 256b of Title 42 of the United States Code. Contracts between those eligible entities and pharmacies shall comply with guidelines published by the Health Resources and Services Administration and shall be available for inspection by board staff during normal business hours.

(b) Drugs purchased pursuant to Section 256b of Title 42 of the United States Code and received by a pharmacy shall be segregated from the pharmacy's other drug stock by either physical or electronic means. All records of acquisition and disposition of these drugs shall be readily retrievable in a form separate from the pharmacy's other records.

17 (c) Drugs obtained by a pharmacy to be dispenses to patients of an eligible entity
18 pursuant to Section 256b of Title 42 of the United States Code that cannot be distributed because
19 of a changes in circumstances for the eligible entity or the pharmacy shall be returned to the
20 distributor from which they were obtained. For the purposed of this section, a change in
21 circumstances included, but is not limited to, the termination or expiration of the contract
22 between the pharmacy and the eligible entity, the closure of a pharmacy, disciplinary action
23 against the pharmacy, or closure of the eligible entity.

24 SECTION 3. If an eligible entity described in section 1 above can demonstrate to the
25 satisfaction of the Executive Office of Health and Human Services that the prescription drug
26 discount it receives other than through the Section 340B program results in greater savings to the
27 state, the entity may be granted an exception to the requirements of this section.