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PHARMACY BENEFIT AMENDMENTS
2021 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Evan J. Vickers
House Sponsor: Steve Eliason

LONG TITLE

General Description:

This bill amends provisions relating to pharmacies that are operated by or contract with a federally qualified health center.

Highlighted Provisions:

- This bill:
- ▶ defines terms; and
 - ▶ prohibits certain actions by a pharmacy benefit manager or third party with respect to a federally qualified health center that participates in the 340B discount drug program.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:
31A-46-310, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-46-310** is enacted to read:

31A-46-310. Prohibited actions with respect to a federally qualified health center.

(1) As used in this section, "federally qualified health center":

(a) means the same as that term is defined in 42 U.S.C. Sec. 1395x(aa)(4); and

30 (b) includes the pharmacy or pharmacies that are operated by or contract with a
31 federally qualified health center described in Subsection (1)(a) to dispense drugs purchased
32 through the federally qualified health center.

33 (2) This section applies to a contract entered into or renewed on or after January 1,
34 2022, between an insurer and a pharmacy described in Subsection (1)(b).

35 (3) An insurer may not vary the amount that the insurer reimburses to a federally
36 qualified health center for a drug on the basis of whether:

37 (a) the drug is a 340B drug; or

38 (b) the pharmacy is a 340B entity.

39 (4) Subsection (3) does not apply to a drug reimbursed, directly or indirectly, by the
40 Medicaid program.

41 (5) An insurer or an insurer's pharmacy service entity may not:

42 (a) on the basis that a federally qualified health center participates, directly or through a
43 contractual arrangement, in the 340B drug discount program:

44 (i) assess a fee, charge-back, or other adjustment on a federally qualified health center;

45 (ii) restrict access to the insurer's pharmacy network;

46 (iii) require the federally qualified health center to enter into a contract with a specific
47 pharmacy to participate in the insurer's pharmacy network;

48 (iv) create a restriction or an additional charge on a patient who chooses to receive
49 drugs from a federally qualified health center; or

50 (v) create any additional requirements or restrictions on the federally qualified health
51 center; or

52 (b) require a claim for a drug to include a modifier to indicate that the drug is a 340B
53 drug unless the claim is for payment, directly or indirectly, by the Medicaid program.