



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-3334/1  
EKL:emw

## 2021 ASSEMBLY BILL 550

September 10, 2021 - Introduced by Representatives SUBECK, MILROY, ANDERSON, BALDEH, CABRERA, CONLEY, CONSIDINE, DOYLE, EMERSON, HEBL, HESSELBEIN, HONG, NEUBAUER, OHNSTAD, S. RODRIGUEZ, SHANKLAND, SHELTON, SINICKI, SNODGRASS, SPREITZER, STUBBS and VRUWINK, cosponsored by Senators CARPENTER, ERPENBACH, AGARD, BEWLEY, JOHNSON, LARSON, PFAFF and RINGHAND. Referred to Committee on Health.

\*\*\*AUTHORS SUBJECT TO CHANGE\*\*\*

- 1     **AN ACT** *to create* 632.869 of the statutes; **relating to:** reimbursements for  
2           certain 340B program entities.

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***Analysis by the Legislative Reference Bureau***

This bill prohibits any person from reimbursing certain entities that participate in the federal drug pricing program, known as the 340B program, for a drug subject to an agreement under the program at a rate lower than that paid for the same drug to pharmacies that are similar in prescription volume. The bill also prohibits a person from imposing any fee, charge back, or other adjustment on the basis of the entity's participation in the 340B program. The entities covered by the prohibitions under the bill are federally qualified health centers, critical access hospitals, and grantees under the federal Ryan White HIV/AIDS program, as well as these entities' pharmacies and any pharmacy with which any of the entities have contracted to dispense drugs through the 340B program.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

- 3           **SECTION 1.** 632.869 of the statutes is created to read:  
4           **632.869 Reimbursement to federal drug pricing program participants.**  
5           (1) In this section:

**ASSEMBLY BILL 550****SECTION 1**

1 (a) "Covered entity" means an entity described in 42 USC 256b (a) (4) (A), (D),  
2 (E), (J), or (N) that participates in the federal drug pricing program under 42 USC  
3 256b, a pharmacy of the entity, or a pharmacy contracted with the entity to dispense  
4 drugs purchased through the federal drug pricing program under 42 USC 256b.

5 (b) "Pharmacy benefit manager" has the meaning given in s. 632.865 (1) (c).

6 **(2)** Any person, including a pharmacy benefit manager and 3rd-party payer,  
7 may not do any of the following:

8 (a) Reimburse a covered entity for a drug that is subject to an agreement under  
9 42 USC 256b at a rate lower than that paid for the same drug to pharmacies that are  
10 not covered entities and are similar in prescription volume to the covered entity.

11 (b) Assess a covered entity any fee, charge back, or other adjustment on the  
12 basis of the covered entity's participation in the federal drug pricing program under  
13 42 USC 256b.

14 (END)