

Fiscal Estimate Narratives

OCI 9/20/2021

LRB Number	21-4344/1	Introduction Number	SB-542	Estimate Type	Original
Description reimbursements for certain 340B program entities					

Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 542 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 adjustments 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 (FQHCs), 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.

At this time, OCI cannot determine the fiscal effect this legislation will have on staff time and agency resources.

Long-Range Fiscal Implications

None.