

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 548** HLS 23RS 823

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 19, 2023	10:01 AM	<b>Author:</b> TURNER
<b>Dept./Agy.:</b> LDH		<b>Analyst:</b> Shawn Hotstream
<b>Subject:</b> 340B drug pricing		

DRUGS/PRESCRIPTION OR NO IMPACT See Note  
Provides relative to the 340B drug pricing program

Proposed law prevents a health insurance issuer, pharmacy benefit manager (PBM), other third-party payor or its agent from the following: 1) reimbursing a 340B entity for 340B drugs at a rate lower than that paid for the same drug to entities that are not 340B entities; 2) impose terms/conditions on any 340B entity with respect to fees, dispensing fees, charges, clawbacks, restrictions, requirements, or other adjustments or assessments that differ from such terms or conditions applied to non-340B entities; 3) require a 340B entity to reverse, resubmit or clarify a claim after the initial adjudication unless in the normal course of business; 4) discriminate against a 340B entity in a manner that interferes with patient choice; and 5) require or compel the submission of ingredient costs or pricing data pertaining to 340B drugs to any health insurance issuer, PBM, or third party payor. Proposed law prevents a manufacture or distributor from denying, restricting, prohibiting, or interfering with the acquisition or delivery of a 340B drug by a pharmacy that is under contract with a 340B entity and is authorized under the contract to receive and dispense 340B drugs on behalf of the covered entity. A manufacturer or distributor shall not interfere with a pharmacy contracted with a 340B entity.

EXPENDITURES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on expenditures of LDH/Medicaid or the Office of Group Benefits as a result of this measure. This measure prohibits practices by a pharmacy benefit manager, health insurance issuer, or other third party payor that would limit or impose conditions that would indirectly lower the amount of reimbursement for a drug discounted according to the federal 340B drug pricing program. In addition, the bill prohibits actions by a manufacture or distributor from denying or interfering with the acquisition of a 340B drug discount program. The 340B program allows qualifying hospitals that treat low income and uninsured patients to buy outpatient prescription drugs at a discount.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  


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**Evan Brasseaux**  
**Interim Deputy Fiscal Officer**