State of Minnesota

# HOUSE OF REPRESENTATIVES

**NINETY-FIRST SESSION**

## H. F. No. **3907**

02/27/2020    Authored by Cantrell and Schomacker
           The bill was read for the first time and referred to the Committee on Health and Human Services Policy
04/14/2020    Adoption of Report: Amended and re-referred to the Health and Human Services Finance Division

1.1                                A bill for an act

1.2         relating to human services; requiring the commissioner of human services to
1.3         develop a process to identify and report 340B drugs at point of sale; requiring a
1.4         report.

1.5    BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6        Section 1. **ENCOUNTER REPORTING OF 340B ELIGIBLE DRUGS.**

1.7        (a) The commissioner of human services, in consultation with federally qualified health

1.8    centers (FQHCs) and other impacted providers, shall report as provided in paragraph (b)

1.9    on the feasibility of identifying at the point of sale 340B drugs dispensed by 340B contract

1.10   pharmacies to enrollees of managed care organizations served by FQHCs in order to exclude

1.11   these claims from the Medicaid drug rebate program. In developing this report, the

1.12   commissioner shall work with managed care organizations and contracted pharmacies to

1.13   explore options for allowing FQHCs to maximize the 340B program and reimbursement

1.14   through the 340B program, while ensuring that duplicate discounts for these drugs do not

1.15   occur. The report must also detail how profits realized through the 340B program by covered

1.16   entities are currently being invested in the health care of enrollees of the managed care

1.17   organizations and how the additional revenue from the inclusion of 340B contract pharmacies

1.18   would be used by the FQHCs.

1.19       (b) The commissioner, by February 1, 2021, shall present the report described in

1.20   paragraph (a) to the chairs and ranking minority members of the legislative committees with

1.21   jurisdiction over health and human services policy and finance.