

HOUSE No. 2153

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to require health care entities to participate in the 340B prescription drug discount program..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding the provisions of any general or specific law to the
2 contrary, the Executive Office of Health and Human Services shall require that, except as
3 provided in section 3, all programs, clinics, hospitals and other health-related centers and entities
4 that are eligible under Section 340B of the federal Public Health Service Act, shall participate in
5 the Section 340B federal prescription drug price discount program.

6 SECTION 2. (a) An entity eligible to participate in the 340B prescription drug discount
7 program may contract with a pharmacy to provide pharmacy services to that eligible entity, as
8 defined in Section 256b of Title 42 of the United States Code, including dispensing preferentially
9 priced drugs obtained pursuant to Section 256b of Title 42 of the United States Code. Contracts
10 between those eligible entities and pharmacies shall comply with guidelines published by the
11 Health Resources and Services Administration and shall be available for inspection by board
12 staff during normal business hours.

13 (b) Drugs purchased pursuant to Section 256b of Title 42 of the United States Code and
14 received by a pharmacy shall be segregated from the pharmacy's other drug stock by either
15 physical or electronic means. All records of acquisition and disposition of these drugs shall be
16 readily retrievable in a form separate from the pharmacy's other records.

17 (c) Drugs obtained by a pharmacy to be dispenses to patients of an eligible entity
18 pursuant to Section 256b of Title 42 of the United States Code that cannot be distributed because
19 of a changes in circumstances for the eligible entity or the pharmacy shall be returned to the
20 distributor from which they were obtained. For the purposed of this section, a change in
21 circumstances included, but is not limited to, the termination or expiration of the contract
22 between the pharmacy and the eligible entity, the closure of a pharmacy, disciplinary action
23 against the pharmacy, or closure of the eligible entity.

24 SECTION 3. If an eligible entity described in section 1 above can demonstrate to the
25 satisfaction of the Executive Office of Health and Human Services that the prescription drug
26 discount it receives other than through the Section 340B program results in greater savings to the
27 state, the entity may be granted an exception to the requirements of this section.